

**FISCAL YEAR 2005 BUDGET ESTIMATE
AND PERFORMANCE PLAN**



Submission to the Committees on Appropriations

February 2, 2004

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ABOUT THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Created in 1993, the Corporation for National and Community Service engages Americans in improving communities through service. The Corporation supports service at national, state, and local levels through the following programs:

Senior Corps, a network of programs that helps Americans age 55 and older use their skills and experience in service opportunities that address the needs of their communities. Senior Corps includes the Retired and Senior Volunteer Program (RSVP), the Foster Grandparent Program, and the Senior Companion Program.

AmeriCorps, whose members serve with local and national organizations to meet community needs while earning education awards to help finance college or training. AmeriCorps includes three programs: State and National, Volunteers in Service to America (VISTA), and the National Civilian Community Corps (NCCC).

Learn and Serve America, which links community service and learning objectives for youth from kindergarten through college as well as youth in community-based organizations.

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February 2004

THE MISSION

The Corporation's mission is to provide opportunities for Americans of all ages and backgrounds to engage in service that addresses the nation's educational, public safety, environmental and other human needs to achieve direct and demonstrable results and to encourage all Americans to engage in such service. In doing so, the Corporation will foster civic responsibility, strengthen the ties that bind us together as a people, and provide educational opportunity for those who make a substantial commitment to service.

The Strategic Goals

1. Help solve the nation's unmet education, public safety, environmental, and other human needs through service.
2. Strengthen communities through service.
3. Improve the lives of those who serve through their service experience.
4. Make service a common expectation and experience of Americans as an integral part of civic responsibility.
5. Develop and maintain a sound, innovative organization that strengthens the service field.

ORGANIZATION CHART

Revised organization chart forthcoming.

OVERVIEW

The Corporation for National and Community Service is a key part of the USA Freedom Corps effort to create a new culture of citizenship, service, and responsibility. Since the terrorist attacks of September 11, 2001, Americans have been looking for meaningful and effective ways to give back to the nation. Through its Senior Corps, AmeriCorps, and Learn and Serve America programs, the Corporation provides opportunities for Americans of all ages and backgrounds to respond to the President's Call to Service to dedicate at least 4,000 hours or two years of their lives in service to their communities.

The members and volunteers who serve in Corporation programs provide valuable assistance to local charities, schools, government agencies, and faith-based organizations. In addition to offering direct services such as tutoring at-risk youth, building homes for low-income people, responding to natural disasters, and caring for homebound seniors, Corporation members and volunteers help build the capacity of local organizations by recruiting and managing volunteers, setting up administrative and technological systems, and performing other tasks that enable those organizations to further expand their reach.

Service through Corporation programs strengthens communities by increasing civic engagement, breaking down barriers, and creating new social ties. And, it gives added purpose and meaning to the lives of those who serve while also opening up the doors of educational and career opportunity to them.

To continue our important work in meeting local needs and creating a culture of service, the Corporation requests \$1.018 billion for FY 2005, an increase of \$82 million or 9 percent over the FY 2004 enacted level.

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Change	
				Amount	Percent
Domestic Volunteer Service Act	353.88	354.34	375.34	21.00	5.9%
AmeriCorps*VISTA	93.67	93.73	96.43	2.70	2.9%
National Senior Service Corps	215.93	214.26	224.54	10.28	4.8%
Special Volunteer Programs	9.93	9.88	15.00	5.12	51.9%
Program Administration (DVSA)	34.35	36.47	39.36	2.89	7.9%
National and Community Service Act	426.22	574.81	636.23	61.42	10.7%
AmeriCorps*State and National	173.86	312.15	291.93	-20.21	-6.5%
AmeriCorps* National Civilian Community Corps	24.84	24.85	27.03	2.17	8.7%
National Service Trust	99.35	129.23	160.30	31.07	24.0%
Learn and Serve America	42.72	42.75	46.00	3.25	7.6%
Innovation, Demonstration, and Assistance Activities	35.27	11.16	30.01	18.85	168.9%
Evaluation	2.98	2.98	6.00	3.02	101.2%
Silver Scholarships	0.00	0.00	10.00	10.00	NA
Partnership Grants	14.91	14.91	21.50	6.59	44.2%
Program Administration (NCSA)	32.29	36.78	43.46	6.68	18.2%
Inspector General	5.96	6.21	6.00	-0.21	-3.4%
TOTAL, CNCS	786.06	935.37	1,017.57	82.20	8.8%

The requested funds will provide service opportunities to more than 3 million Americans, build the capacity to engage many millions more, and fulfill unmet needs in communities across the country. People serving through our programs will include:

75,000 AmeriCorps members

625,000 volunteers recruited, trained, and managed by AmeriCorps members

600,000 senior volunteers (includes Silver Scholarships and Special Volunteers)

1,900,000 Learn and Serve America service-learning participants

30,000 Challenge Grant volunteers

Our funding level reflects the recently enacted Strengthen AmeriCorps Program Act, which clarifies how the Corporation should budget for the cost of education awards. The Act allows the Corporation to record award obligations based on projected enrollment, earning, and usage rates, and for the time value of money. It also requires the Corporation to establish a reserve account as a safeguard.

Our Priorities for 2005

In developing the FY 2005 budget, we were guided by these management and programmatic priorities:

Management Priorities

Improve management of human and financial resources

Strengthen accountability for results

Programmatic Priorities

Secure the homeland

Engage children and youth

Support faith-based and other community organizations

Leverage volunteers and dollars

Improve Management of Human and Financial Resources

During FY 2002, the Corporation approved more AmeriCorps members than could be supported by the National Service Trust, resulting in a \$63 million deficiency and a significant shortage of member slots for the 2003 grant cycle. In response to this and other management concerns, we have strengthened our executive team and delivered to Congress a comprehensive management reform plan. The plan's ultimate objectives are:

Transparent and accountable financial management

Strong programs that deliver tangible, measurable results to Americans and their communities

Corporation culture that supports fact-based, informed planning and decision making

Highly motivated, performance-based managers and staff

Sophisticated and responsive data management

A number of cross-functional teams were formed in FY 2003 to improve accounting, human resource management, grantee oversight, data systems, performance measures, and budgeting. These efforts will continue through FY 2004, with delivery of measurable results. We have already put in place a series of new controls to prevent approving more AmeriCorps positions than the Trust can support—controls that have passed the scrutiny of both the Inspector General and the General Accounting Office.

The FY 2005 budget supports the Corporation's management reforms by:

Continuing to improve eGrants, the Corporation's web-based grants management system.

Increasing our investment in employee training, bringing it up to the government-wide average of two percent of salaries.

Providing funds for active grantee oversight, including regular site visits and targeted technical assistance for high-risk grantees.

Strengthen Accountability for Results

The Board's Grants Task Force recommended that

The Corporation should become a more intentional grant maker by identifying core issues it wants to address, developing more staff expertise in these issue areas, and stimulating and supporting innovative approaches to community needs.

With this budget submission, the Corporation's programs are, for the first time, making specific resource commitments to priority issue areas (see table below for a summary). To meet these commitments, the Corporation will expand the use of focused grant competitions and work proactively with potential grantees to develop programs that support our priorities. Ultimately, we hope to be able to measure our unique contributions to key outcomes for each priority issue area.

Already, the Corporation is a leader among public and private grant makers in promoting performance measurement. By FY 2005, the Corporation will have fully implemented an ambitious performance measurement program, in which we: (1) require each grantee to submit information on performance, documenting the actual impact of the program on the people and

communities it serves, (2) provide ongoing training and technical assistance to grantees in establishing and collecting performance-based information, (3) develop national outcome-oriented performance measures and indicators for our three programs, and (4) collect annual performance data from participants, grantees, sub-grantees, and end beneficiaries in all Corporation programs.

Secure the Homeland

The Corporation is mobilizing volunteers nationwide to prepare for and respond to natural disasters and terrorist attacks. In cooperation with local Citizen Corps Councils and Voluntary Organizations Active in Disaster, our programs are educating the public about disaster readiness, coordinating emergency supplies, and providing relief to affected communities.

Funding Our Priorities (\$000s)

	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Target
Homeland security	16,300	22,800	31,500
Children and youth	239,000	311,000	344,000
<i>Child literacy</i>	<i>107,000</i>	<i>160,000</i>	<i>171,000</i>
Faith-based and other community organizations	118,000	168,000	184,000

In addition to direct homeland security support, our programs also provide public safety and public health services, such as organizing Neighborhood Watch groups, supporting first responders, and immunizing children. Funding for these services is not included in the table above, because they don't meet the strict definition of homeland security. Nevertheless, we consider them vital to overall community readiness.

This budget continues the Corporation's increasing emphasis on homeland security. It includes funding for the following initiatives:

Increase Special Volunteer Program homeland security grants. These grants will support 23,000 volunteers in nearly 50 communities.

Maintain the AmeriCorps*National Civilian Community Corps (NCCC) at 1,250 members. AmeriCorps*NCCC teams are ready to respond on a moment's notice to emergencies anywhere in the country.

Teach our grantees and other organizations how to design and manage effective homeland security volunteer programs.

Engage Children and Youth

Engaging children and youth is about two things: giving hope and opportunity to disadvantaged children and instilling the service ethic from an early age.

A special focus of our Engage Children and Youth priority is the President's initiative to help all children read by the third grade. In FY 2005, we will invest about \$170 million across our programs to provide tutoring that meets No Child Left Behind Act standards. This includes a new \$20 million program (\$10 million grants program, \$10 million Trust) called Silver Scholarships, which will train and deploy 10,000 seniors to tutor young children in their communities. Each tutor who volunteers 500 hours will receive a \$1,000 scholarship that can be transferred to a grandchild or other young person.

Learn and Serve America will engage over a million school-age children in activities that connect classrooms with communities. Volunteer service teaches children compassion and civic responsibility—lessons that stay with them for a lifetime. For FY 2005, we are requesting \$3 million for a new initiative to train future teachers to use service-learning in their classrooms. This would be the first funding increase ever for a program that leverages more participants per dollar spent than any other in the Corporation.

Support Faith-Based and Other Community Organizations

The Corporation has embraced the President's initiative to support the work of faith-based and other community organizations. Through our Faith and Communities Engaged in Service (FACES) program, we reach out to these organizations to identify partnership opportunities and provide technical assistance. FACES is coordinating with faith-based and other community organizations on three areas of emphasis: mentoring children of prisoners, helping ex-offenders re-enter their communities, and strengthening families.

Thanks to FACES and other Corporation activities, all of our programs expect the number of faith-based and other community grantees, host sites, sponsors and stations to continue to grow in FYs 2004 and 2005. Part of this growth will be driven by the Next Generation grants program, which targets small, innovative programs that have never before received Corporation funding. Our goal is to discover, nurture, and replicate effective new models for using volunteers to address community needs.

Leverage Volunteers and Dollars

By creating volunteer opportunities and helping organizations recruit and manage volunteers, Corporation programs multiply their impact on communities. This budget supports volunteer generation by doing the following:

Increasing funding for Senior Corps promotional activities and web-based recruitment system. Our goal is to fill 100 percent of Senior Corps service positions and match at least 10,000 new senior volunteers to programs that need them.

Assigning more Retired and Senior Volunteer Program (RSVP) participants to recruit community volunteers.

Continuing funding support for our partner, the Points of Light Foundation, which assists nearly 450 community-based volunteer centers around the country.

Leveraging dollars means getting the most possible out of the Corporation's resources. To this end, the Corporation has increasingly emphasized sustainability in our grant competitions. In FYs 2004 and 2005, we will reduce our AmeriCorps cost per FTE. For the AmeriCorps*State and National stipended programs, we project a FY 2005 average cost per FTE of \$9,450, compared to \$10,500 in FY 2002. Actual cost per FTE will depend on the quality and mix of grant applications.

The four key dollar-leveraging strategies in this budget are:

1. Increasing the use of Education Award Program (EAP) grants. EAP grants provide education awards for AmeriCorps members and \$400 for administrative costs. The grantee is responsible for member living allowances. EAP members will make up 40 percent of AmeriCorps in 2004 and 2005, compared to about 37 percent in 2002.
2. Funding a broader range of low-stipend programs, including Professional Corps, which encourage talented young people to enter service professions such as teaching, law enforcement, firefighting, and public interest law. In Professional Corps programs, member salaries or stipends are paid by the grantee or a public entity. As part of our commitment to nurturing Professional Corps programs, we are requesting \$4 million to help Teach for America reach its expansion goal.
3. Funding the Challenge Grant program at \$10 million. In our 2003 Challenge Grant competition, we turned down nearly 50 applicants that were willing to match Corporation dollars 2 to 1 for projects to engage more citizens in service. To take better advantage of the leveraging power of this program, we propose to expand it in 2005, enabling even more non-profit partners to participate, including small community-based organizations.
4. Making cost-sharing and sustainability important factors in all of our competitive grant decisions. We will expect some of our grantees, over time and where appropriate, to operate their programs with progressively fewer Corporation dollars. The specifics of this new approach will be worked out through a collaborative rulemaking process now underway.

This budget is the product of a new and different Corporation for National and Community Service—one that is more intentional in its grant making, more accountable for its results, and more vigilant in its financial management. The departure from the past is obvious throughout the document.

What hasn't changed—and what motivates all of the reforms we are making—is our commitment to citizen service and the vital work our programs make possible.

FY 2005 TOTAL BUDGET REQUEST BY ACTIVITY

<u>Activity</u>	<u>FY 2003</u> <u>Enacted</u>	<u>1/</u>	<u>FY 2004</u> <u>Enacted</u>	<u>2/</u>	<u>FY 2005</u> <u>Request</u>	<u>Difference</u> <u>2005-2004</u>
((\$000))						
National and Community Service Act (NCSA):						
National Service Trust	\$99,350		\$129,233		\$160,300	\$31,067
AmeriCorps Grants	173,863		312,147		291,933	(20,214)
Innovation, Assistance, and Other Activities	35,269		11,159		30,010	18,851
Evaluation	2,981		2,982		6,000	3,018
National Civilian Community Corps	24,837		24,853		27,027	2,174
Learn and Serve America: K-12 and Higher Ed	42,721		42,746		46,000	3,254
Program Administration S&E	20,367		24,852		28,894	4,042
State Commissions	<u>11,922</u>		<u>11,929</u>		<u>14,568</u>	<u>2,639</u>
Total Program Admin	32,289		36,781		43,462	6,681
Points of Light Foundation	9,935		9,941		10,000	59
America's Promise	4,968		4,971		7,500	2,529
Teach for America	0		0		4,000	4,000
Silver Scholarships	0		0		10,000	10,000
Subtotal, NCSA	426,211		574,813		636,232	61,419
Office of the Inspector General	5,961		6,213		6,000	0
Subtotal, NCSA and OIG	432,172		581,027		642,232	61,419
Domestic Volunteer Service Act (DVSA):						
Volunteers in Service to America (VISTA)	93,674		93,731		96,428	2,697
Special Volunteer Programs - Homeland Security	9,935		9,876		15,000	5,124
National Senior Service Corps						
Retired and Senior Volunteer Program	58,501		58,156		69,884	11,728
Foster Grandparent Program	110,775		110,121		106,700	(3,421)
Senior Companion Program	46,260		45,987		46,563	576
Senior Demonstration Program	<u>397</u>		<u>0</u>		<u>1,397</u>	<u>1,397</u>
Subtotal, Senior Programs	215,934		214,264		224,544	10,280
Program Administration	34,346		36,469		39,363	2,894
Subtotal, DVSA	353,889		354,340		375,335	20,995
TOTAL, CORPORATION	\$786,062		\$935,367		\$1,017,567	\$82,414
1/ Fiscal 2003 amounts reflect the .65% across-the-board reduction in the Omnibus Appropriations Act.						
2/ Fiscal 2004 amounts reflect the .59% across-the-board reduction included in P.L. 108-199.						

DETAIL OF PERMANENT POSITIONS

	FY 2003 Estimate	FY 2004 Estimate	FY 2005 Estimate
NATIONAL AND COMMUNITY SERVICE ACT PROGRAMS			
Chief Executive Officer	9	9	9
General Counsel	9	9	9
COO Immediate Office	9	8	8
Human Resources	15	16	16
Equal Opportunity Office	4	4	4
AmeriCorps Immediate Office	9	7	7
AmeriCorps*State and National	32	32	32
Learn and Serve America	12	12	12
Chief Financial Officer (Immediate Office)	13	15	15
Trust	14	14	14
Office of Information Technology	11	13	13
Grants Management	18	17	17
Financial Management Services	8	8	8
Public Affairs	1	7	7
AmeriCorps Recruitment	0	5	5
Office of Leadership Development and Training	0	11	11
Total NCSA Admin	164	187	187
AmeriCorps*NCCC	100	103	103
Public Liaison/Recruit/OLDT/FACES (H funds)	35	0	0
Total NCSA	299	290	290
DOMESTIC VOLUNTEER SERVICE ACT PROGRAMS			
AmeriCorps*VISTA	20	19	19
Senior Corps	14	14	14
Research & Policy Development	17	13	13
State Offices	167	167	167
Administrative Services	13	12	12
Procurement	9	9	9
Financial Management Services	14	14	14
Field Services Team	38	38	38
Public Affairs	8	10	10
Congressional Affairs	5	5	5
Total DVSA	305	301	301
Recruitment (VISTA funded)	12	13	13
Total DVSA	317	314	314
INSPECTOR GENERAL			
Inspector General	21	25	30
TOTAL CORPORATION	637	629	634

TOTAL DVSA OBLIGATIONS BY OBJECT CLASSIFICATION

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase + Decrease - 04 vs 05'
(dollars in thousands)				
Total number of permanent positions	317	314	314	-
Full-time equivalent employment (FTE)	293	290	290	-
Personnel compensation:				
11.1 Permanent positions (FTP)	18,251	18,455	18,813	358
11.3 Positions other than FTP	172	173	179	5
11.5 Other personnel compensation	225	226	233	8
11.8 Special personal services payments	41,125	40,868	41,788	920
11.9 Total, personnel compensation	59,773	59,722	61,012	1,291
12.1 Personnel benefits	6,361	6,374	6,626	252
13.0 Benefits for former personnel	-	-	-	-
21.0 Travel and transportation of persons	6,448	6,593	6,784	191
22.0 Transportation of things	506	512	520	9
23.1 Rental payments to GSA	4,680	4,950	6,600	1,650
23.2 Rental payments to others	194	197	200	3
23.3 Communications, utilities, and miscellaneous charges	1,017	1,034	1,050	16
24.0 Printing and reproduction	253	255	267	12
25.0 Other services	21,926	23,857	25,444	1,587
26.0 Supplies and Materials	819	900	915	15
31.0 Equipment	242	-	-	-
41.0 Grants, subsidies and contributions	251,670	249,946	265,917	15,970
42.0 Claims	-	-	-	-
Lapse	-	-	-	-
Total funds available	353,889	354,340	375,335	20,995
1/ A regular 2003 appropriation for this account had not been enacted at the time the budget was prepared; therefore, the amounts included for 2003 reflects the Administration's 2003 proposal.				

TOTAL NCSA OBLIGATIONS BY OBJECT CLASSIFICATION

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase + Decrease - 04 vs 05'
(dollars in thousands)				
Total number of permanent positions	299	290	290	-
Full-time equivalent employment (FTE)	288	273	273	-
Personnel compensation:				
11.1 Permanent positions (FTP)	19,388	19,382	19,777	395
11.3 Positions other than FTP	170	156	160	4
11.5 Other personnel compensation	226	224	229	5
11.8 Special personal services payments	6,651	6,535	6,641	106
11.9 Total, personnel compensation	26,435	26,297	26,806	509
12.1 Personnel benefits	5,695	5,790	5,879	90
13.0 Benefits for former personnel	128	87	88	1
21.0 Travel and transportation of persons	3,234	3,541	3,553	12
22.0 Transportation of things	50	50	50	-
23.1 Rental payments to GSA	-	-	-	-
23.2 Rental payments to others	334	334	334	-
23.3 Communications, utilities, and miscellaneous charges	-	-	-	-
24.0 Printing and reproduction	1,207	1,239	1,239	0
25.0 Other services	146	214	414	200
26.0 Supplies and Materials	10,589	12,256	16,406	4,150
31.0 Equipment	961	1,487	1,799	312
41.0 Grants, subsidies and contributions	-	385	391	6
42.0 Claims	251,154	393,983	418,826	24,843
43.0 Interest and Dividends	224	181	182	1
93.0 Deposits to the National Service Trust	32	-	-	-
	99,350	129,233	160,300	31,067
Total obligations	399,539	575,077	636,268	61,191

DVSA PROGRAMS FY 2005 APPROPRIATION LANGUAGE

DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING EXPENSES

For expenses necessary for the Corporation for National and Community Service to carry out the provisions of the Domestic Volunteer Service Act of 1973, as amended, [\$356,443,000: *Provided*, That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by section 122 of Part C of Title I and Part E of Title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends or other monetary incentives to volunteers or volunteer leaders whose incomes exceed 125 percent of the national poverty level] \$375,335,000.

Language Analysis

Language Provision/Change	Explanation
Delete: <i>Provided</i> , That none of the funds made available to the Corporation for National and Community Service in this Act for activities authorized by section 122 of Part C of Title I and Part E of Title II of the Domestic Volunteer Service Act of 1973 shall be used to provide stipends or other monetary incentives to volunteers or volunteer leaders whose incomes exceed 125 percent of the national poverty level	Removes restrictions on the design of innovative and demonstration programs. The President's national service reauthorization principles call for removal of income thresholds from all senior volunteer programs.

BUDGET ACTIVITY 1: DVSA PROGRAM ADMINISTRATION

Summary of Budget Estimates for DVSA

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase (Decrease)
(dollars in thousands)				
AmeriCorps*VISTA	1,387	1,498	1,538	40
Senior Corps	1,271	1,232	1,265	33
Evaluations	1,143	1,211	1,243	32
<i>Research and Policy Development</i>	<i>1,143</i>	<i>1,211</i>	<i>1,243</i>	<i>32</i>
CEO	15,314	15,713	16,129	416
<i>Intergovernmental Affairs</i>	<i>457</i>	<i>456</i>	<i>469</i>	<i>13</i>
<i>Public Affairs</i>	<i>834</i>	<i>711</i>	<i>731</i>	<i>20</i>
<i>Human Resources</i>	<i>732</i>	<i>948</i>	<i>964</i>	<i>16</i>
<i>Field Liaison</i>	<i>13,291</i>	<i>13,598</i>	<i>13,965</i>	<i>367</i>
CFO	15,231	16,815	19,189	2,374
<i>Office of Information Technology</i>	<i>3,312</i>	<i>2,655</i>	<i>2,773</i>	<i>118</i>
<i>Administrative Services</i>	<i>6,474</i>	<i>6,552</i>	<i>8,236</i>	<i>1,684</i>
<i>Procurement</i>	<i>684</i>	<i>806</i>	<i>826</i>	<i>20</i>
<i>Accounting</i>	<i>1,604</i>	<i>3,628</i>	<i>4,098</i>	<i>470</i>
<i>Service Centers</i>	<i>3,157</i>	<i>3,174</i>	<i>3,256</i>	<i>82</i>
Total Program Administration	34,346	36,469	39,363	2,894

About the Program

The Program Administration budget activity funds the salaries and operating expenses of the Corporation's programs and administrative offices. Program Administration costs are shared between the Domestic Volunteer Service Act (DVSA) and National and Community Service Act (NCSA) appropriations, as shown in the following table.

Funded by DVSA	Funded by NCSA	Joint-Funded
Senior Corps AmeriCorps*VISTA Research and Policy Development Intergovernmental Affairs Procurement Field Liaison State Offices Service Centers Administrative Services	AmeriCorps*State and National Recruitment Learn and Serve America CEO (Immediate Office) COO (Immediate Office) Leadership Development and Training CFO (Immediate Office) General Counsel Equal Opportunity Planning and Policy Integration National Service Trust Grants Management State Commissions	Information Technology Accounting Human Resources Public Affairs

What We've Accomplished

Implemented key reforms to ensure proper accounting for trust fund liabilities and budgetary needs. These reforms are detailed in the National Service Trust chapter. In FY 2004, the Corporation will complete a comprehensive financial management improvement plan.

Began enhancing the CFO's budget, planning and program management capacity, adding staff to conduct program and budget reviews and integrate budget and performance measurement.

Launched the eGrants system to automate grants application and management. In FY 2004, we will undertake eGrants Phase II, to address concerns and incorporate ideas surfaced during the rollout and deliver greater functionality.

Our Priorities for 2005

Funding increases are proposed in the areas below.

Staffing and Compensation

Funding requested for Corporation salaries and benefits includes a 1.5 percent cost of living adjustment (\$247,000). The Corporation is also requesting an additional \$313,000 for merit pay adjustments.

Employee Training

We request an increase of \$150,000 for professional development and training, which would raise our spending on training as a percentage of base salaries from 1 percent to the federal government average of 2 percent. A recent human capital assessment by the Office of Personnel Management (OPM) found that while the Corporation manages its training program strategically, funding limitations are a barrier to employee development. This funding will enable the Corporation to assess staff competencies and training needs and incorporate appropriate training into office strategic planning and employee work plans.

Headquarters Rent

The Corporation's headquarters building lease expires in October 2004, and we expect our cost per square foot to increase from \$29 to \$39. GSA is working to finalize a new lease with the current building. This budget requests funding based on GSA's most current rent estimates for FY 2005, including an increase of \$1.6 million over the FY 2004 rent cost.

Financial Management System – Procurement Module

The Corporation is requesting an increase of \$377,000 to develop and implement a Procurement module that is fully integrated with the core financial management system, Momentum.

Other Operations

Beyond specific increases cited above, the Corporation is requesting an increase of 1.5 percent (\$204,000) above current operations funding to cover non-pay inflation.

DVSA Program Administration Budget Detail

FY 2005 DVSA Salaries & Expenses	FTE	S&E - Program Admin						Total Admin	2004 Budget	Change
		Sals/Ben	Travel	Rent	Technology	Other				
AmeriCorps*VISTA	19	1,450	70			18		1,538	1,498	40
Senior Corps	14	1,201	33			31		1,265	1,232	33
Evaluation	13	1,155	11		0	78		1,243	1,211	32
Research & Policy Development	13	1,155	11		0	78		1,243	1,211	32
CEO	182	14,375	1,117	0	0	636		16,129	15,713	416
Intergovernmental Affairs	5	441	4			23		469	456	13
Public Affairs	10	729	0			2		731	711	20
Human Resources		154	348			462		964	948	16
Field Liaison	167	13,051	765			149		13,965	13,598	367
CFO	73	5,202	485	6,600	5,230	1,670		19,187	16,815	2,372
Office of Information Technology					2,773			2,773	2,655	118
Administrative Services	12	720	332	6,600		584		8,236	6,552	1,684
Procurement	9	622	4		80	121		826	806	20
Accounting	14	1,220	7		2,377	494		4,098	3,628	470
Atlantic Service Center	10	672	39			128		838	817	21
Southern Service Center	8	576	22			109		707	690	17
North Central Service Center	6	407	33			73		513	500	13
Southwest Service Center	8	566	23			91		680	663	17
Pacific Service Center	6	420	26			70		516	504	12
	301	23,383	1,716	6,600	5,230	2,434		39,362	36,469	2,893

BUDGET ACTIVITY 2: AMERICORPS*VISTA

Summary of Budget Estimates for AmeriCorps*VISTA

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
(dollars in thousands)				
Budget authority				
<i>Member support</i>				
Subsistence allowance	37,000	38,110	39,250	1,140
Post-service stipend	2,800	2,500	2,500	-
Health care	13,500	14,224	15,750	1,526
Child care	1,600	1,600	1,600	-
Other (travel, relocation, settling in cost)	4,860	3,383	3,383	-
Subtotal	59,760	59,817	62,483	2,666
<i>Grants</i>	18,000	18,000	18,000	-
<i>Project support</i>	4,500	4,500	4,500	-
<i>Training and technical assistance</i>	10,000	10,000	10,000	-
<i>Recruitment</i>	1,414	1,414	1,445	31
Total budget authority	93,675	93,731	96,428	2,697
Program data				
Total service years	6,140	6,140	6,140	-
Members	6,557	6,557	6,557	
Program administration [non-add]:				
Personnel compensation	14,177	13,587	14,021	
Other expenses	4,400	4,242	5,615	
Staff FTE	195	185	186	
Trust fund [non-add]:				
Education award members	2,394	4,775	4,775	
Education award FTE	2,394	4,450	4,450	
Education award cost	6,490	12,064	12,064	

About the Program

Authorized in 1964, AmeriCorps*VISTA (Volunteers in Service to America) provides full-time volunteers to nonprofit community and faith-based organizations and public agencies to create and expand programs that ultimately bring low-income individuals and communities out of poverty. Each year, nearly 6,000 AmeriCorps*VISTA members leverage human, financial, and material resources to increase the capacity of thousands of low-income communities across the country to solve their own problems.

AmeriCorps*VISTA sponsoring organizations absorb most of the costs related to project supervision and logistical support. AmeriCorps*VISTA provides benefits for members and their sponsoring organizations with limited federal intrusion. The concept of self-reliance is fundamental to the AmeriCorps*VISTA program because sponsoring organizations must plan

for the eventual phasing out of AmeriCorps*VISTA members and absorption of functions by the organization or community.

What We've Accomplished

Each year, AmeriCorps*VISTA members recruit thousands of community volunteers who donate millions of hours of service to their communities. According to the last comprehensive study of the program, AmeriCorps*VISTA members recruited more than 283,000 community volunteers who donated 6.6 million volunteer hours to project activities annually (Aguirre International. *1999 AmeriCorps*VISTA Accomplishments*. 2000).

Project Highlights

Through capacity-building efforts such as fundraising, volunteer management, and training, AmeriCorps*VISTA members contribute to their sponsoring organization's ability to positively impact low-income individuals, families, and communities. For example:

In 2002, AmeriCorps*VISTA members serving at ACCION USA offices across the country helped the organization provide more than \$18 million in small loans to 3,807 low-income clients to start or expand their own microenterprises (ACCION USA. *2002 Annual Report*). In turn, clients' take-home incomes, monthly profits, and business equity increased on average by 40 percent (ACCION USA. *Measuring Client Success: An Evaluation of ACCION's Impact on Microenterprises in the United States*. 1998).

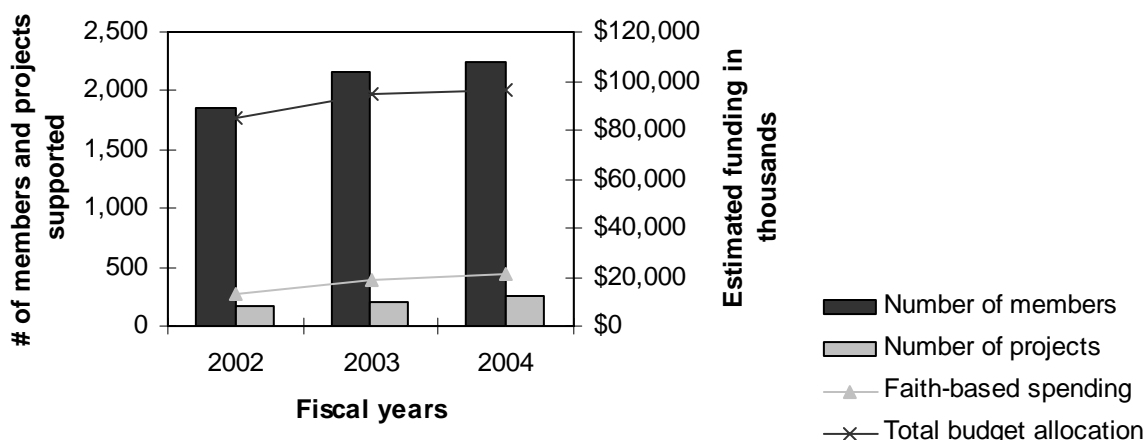
In 2002 and 2003, 40 AmeriCorps*VISTA members were placed in 24 faith-based and community development credit unions in 16 states through the National Federation of Community Development Credit Unions (NFCDCU). Collectively, they recruited 170 new volunteers and raised more than \$180,000 to support financial education and home ownership workshops and administer individual development account programs (NFCDCU. *2003 Annual Report*).

In 2002, AmeriCorps*VISTA members serving with the Washington Reading Corps helped recruit nearly 8,200 tutors who in turn provided more than 500,000 volunteer hours to first- through sixth-grade students. During the course of the year, the average reading level of students tutored moved from significantly below grade level to at or above grade level performance, except for the first- and sixth-grade students, who were nearly at grade level (Northwest Regional Education Laboratory. *Washington Reading Corps 2002 Evaluation Report*).

In FY 2003, AmeriCorps*VISTA accomplished the following objectives:

Supported 202 distinct faith-based initiatives with 2,156 members. In total, AmeriCorps*VISTA provided more than \$18.9 million to support these faith-based initiatives. In FY 2004, AmeriCorps*VISTA will provide an estimated \$21 million to support this programming area.

AmeriCorps*VISTA and Faith-Based Programs



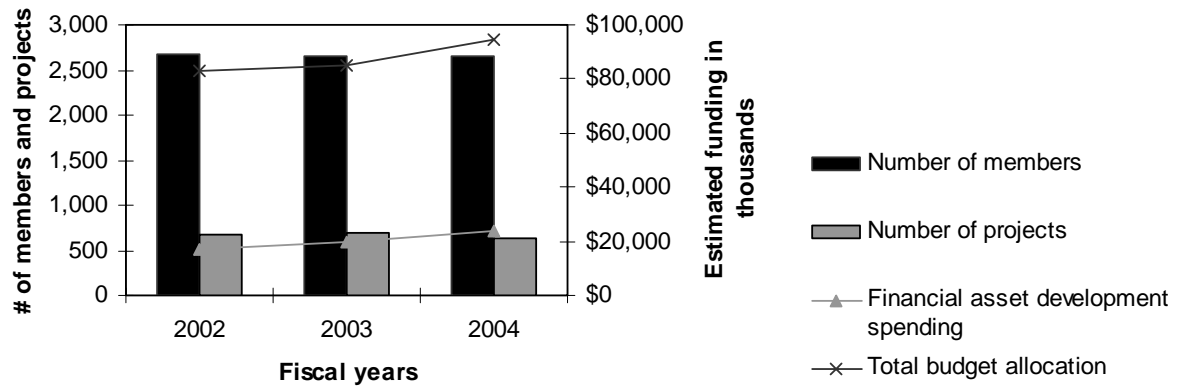
Source: AmeriCorps*VISTA information systems. Data only account for faith-based programs and do not include other small grassroots programs. Note: Funding allocations were estimated using the following formula: number of volunteer service years (VSYs) allocated multiplied by average cost per VSY in FY 2002, FY 2003, and FY 2004.

Supported 26 homeland security projects with 83 members. In total, AmeriCorps*VISTA provided \$283,000 for homeland security projects. In 2004, AmeriCorps*VISTA will provide an estimated \$250,000 to support this programming area.

Supported 412 projects serving children and youth, with 1,717 members. In total, AmeriCorps*VISTA provided more than \$15.3 million for children and youth initiatives.

Supported 631 financial asset development projects, with 2,663 members serving in areas such as home ownership, individual development accounts, microenterprise development, technology access, and job training. In total, AmeriCorps*VISTA provided more than \$23.5 million for financial asset development projects. In 2004, AmeriCorps*VISTA will continue its current level of support for this programming area.

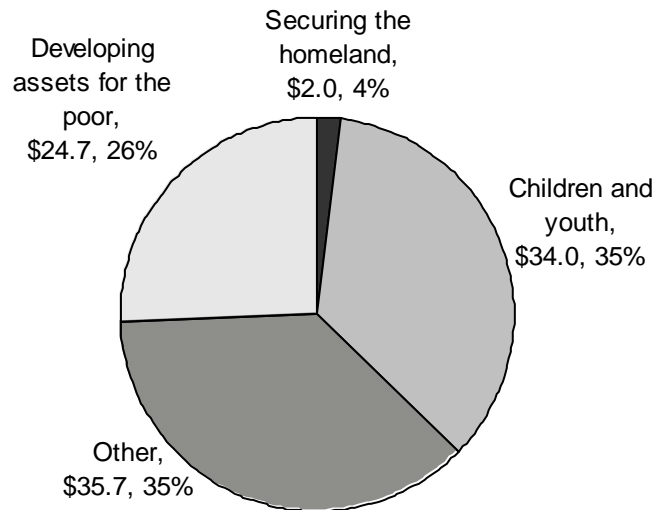
AmeriCorps*VISTA and Financial Asset Development Initiatives



Source: AmeriCorps*VISTA information systems. Note: Funding allocations were estimated using the following formula: number of VSYs allocated multiplied by average cost per VSY in FY 2002, FY 2003, and FY 2004, respectively.

Our Priorities for 2005

FY 2005 Funding Allocation (in millions)



Strengthening Accountability for Results

AmeriCorps*VISTA will continue to support its projects' efforts to demonstrate results through performance measurement. In FY 2003, AmeriCorps*VISTA began planning for independent,

third-party assessment of two project portfolios: faith-based and small grassroots initiatives and financial asset development (see Program Evaluation for further details). Each portfolio will undergo two phases of study. The first phase of study (FY 2004) will focus on providing demographic analysis and case studies and identifying common performance indicators across the portfolio. The second phase of study (FY 2005) will focus on developing a comprehensive evaluation of the outcomes and community impact of projects. Additional project portfolios will be evaluated in the coming fiscal years.

Securing the Homeland

Low-income communities and citizens are frequently under-resourced in critical areas of public health and public safety (Centre for Research on the Epidemiology of Disasters. *Development at Risk*. 2002). Substandard housing, lack of infrastructure, and inelastic expense budgets all contribute to the vulnerability of low-income communities during times of disaster, both in the United States and abroad. Across the country, programs have begun to explore the extraordinary potential that AmeriCorps*VISTA members have to develop infrastructure for leveraging volunteers for local Citizen Corps, Voluntary Organizations Active in Disaster (VOAD), and Community Emergency Response Teams. In 2005, AmeriCorps*VISTA will continue to encourage each state to develop homeland security projects relevant to AmeriCorps*VISTA's anti-poverty legislative mandate (target of \$2 million, 127 VSYS).

Engaging Children and Youth

According to the U.S. Census, in 2001 nearly 38 percent of American children, or 29 million children, lived in low-income families. Of those, 7 percent, or 5 million, lived in extreme poverty, meaning their parents' income was half of the federal poverty level (National Center for Children in Poverty). AmeriCorps*VISTA will work to ensure that low-income children and their families, regardless of their socioeconomic background, have an opportunity to achieve their fullest potential by supporting initiatives such as family formation, healthy marriages, family literacy, reducing at-risk youth behaviors, child care, and after-school programming. (target of \$34 million, 2,172 VSYS).

Supporting Faith-Based and Other Community Organizations

Small faith-based and other community organizations design innovative and effective ways to reduce youth violence, nurture the spirit of entrepreneurship, combat drug addiction, and increase self-sufficiency among the poor. However, many of these groups are challenged due to lack of administrative support, few staff members, and scarce financial resources. In 2005, AmeriCorps*VISTA will continue to identify and conduct outreach to small faith-based and other community organizations that have never received federal resources (target of \$34 million, 2,172 VSYS).

Leveraging Volunteers and Dollars

For decades, AmeriCorps*VISTA has developed systems and structures within nonprofit organizations to effectively engage volunteers in long-term, meaningful service. AmeriCorps*VISTA members help train volunteers, develop volunteer management systems, and foster greater volunteer involvement within the projects and organizations they serve.

AmeriCorps*VISTA members are also instrumental in identifying and pursuing funding sources for community initiatives through grant writing, in-kind solicitations, and other innovative fundraising endeavors. In FYs 2004 and 2005, AmeriCorps*VISTA will implement systems to measure the funding and volunteer hours generated by AmeriCorps*VISTA members.

Developing Assets for the Poor

According to the Federal Reserve Board, an estimated 10 million U.S. households have no savings or checking accounts (Federal Reserve Board. *Survey of Consumer Finances*. 2001). This population tends to include low-income families that often face multiple barriers to developing assets and becoming financially secure. Programs that focus on wealth creation can help a low-income individual save money and build equity in physical assets, such as a home. Acquiring equity and generating savings are critical to helping move people permanently toward self-sufficiency. AmeriCorps*VISTA launched the Entrepreneur Corps in FY 2002 to enlist members with business-related skills in developing financial asset development initiatives for the poor such as the Individual Development Account, microenterprise, and home ownership programs. As a result of Entrepreneur Corps and similar financial asset accumulation projects, by the end of FY 2005, 2,500 new individual development accounts will be developed, 500 small businesses will be launched or expanded by low-income owners, and financial education will be provided for upwards of 5,000 low-income individuals (target of \$24.7 million, 1,577 VSYs).

Program Evaluation

Evaluation of Entrepreneur Corps and Faith-Based and Other Community Initiatives

AmeriCorps*VISTA will evaluate projects within its portfolios of Entrepreneur Corps and Faith-Based and Community initiatives. The studies will assess how and to what extent AmeriCorps*VISTA resources have increased the capacity of organizations to provide services specific to their intended goals and outcomes. In addition, studies will evaluate project processes and identify common performance indicators within each portfolio to help AmeriCorps*VISTA's aggregate projects' collective impact within a given strategic priority.

Volunteer Management Capacity Study

The Corporation has undertaken a research study that assesses the current volunteer management capacity of America's nonprofits and congregations including AmeriCorps*VISTA sponsoring organizations. With this study, the Corporation will assess the effectiveness of current volunteer management practices and how it can enhance organizations' volunteer management infrastructure and use of volunteers.

40th Anniversary Study of VISTA Alumni

In conjunction with the 40th anniversary of AmeriCorps*VISTA's authorizing statute, the Corporation is seeking a contractor to design and carry out a study assessing the long-term effects of participation in the federal VISTA program. The study will assess how and to what extent VISTA service affected participants' attitudes, decisions, goals, values, and habits of civic engagement.

AmeriCorps*VISTA Performance Indicators, 2000–2005¹

Performance Indicators	Type of Measure	Actual				Goals	
		FY00	FY01	FY02	FY03	FY04	FY05
1. Number of community volunteers resulting from AmeriCorps*VISTA activities. Source: AmeriCorps*VISTA. Corporation for National and Community Service.	Intermediate outcome	NA ²	NA	NA	SB ³	TBD ⁴	TBD
2. Percentage of sponsoring organizations increasing their organizational capacity because of AmeriCorps*VISTA. Source: National Survey of AmeriCorps*VISTA Sponsoring Organizations. Corporation for National and Community Service.	Intermediate outcome	NA	NA	NA	SB	TBD	TBD
3. Total value of funds raised by AmeriCorps*VISTA members to strengthen the capacity of nonprofit and voluntary organizations. ⁵ Source: AmeriCorps*VISTA Project Progress Report. Corporation for National and Community Service.	Intermediate outcome	NA	NA	NA	SB	TBD	TBD
4. Percentage of AmeriCorps*VISTA members indicating that their service experience influenced their career, educational, or professional goals. Source: National Survey of AmeriCorps Members. Corporation for National and Community Service.	End outcome	NA	NA	NA	SB	TBD	TBD
5. Percentage of members increasing their level of civic engagement because of AmeriCorps*VISTA. Source: National Survey of AmeriCorps Members. Corporation for National and Community Service.	End outcome	NA	NA	NA	SB	TBD	TBD
6. Percentage of AmeriCorps*VISTA service recipients reporting that they received high-quality services. Source: End-Beneficiary Survey. Corporation for National and Community Service.	End outcome	NA	NA	NA	SB	TBD	TBD
7. Percentage of sponsoring organizations reporting that AmeriCorps*VISTA members achieved their anti-poverty objectives. Source: National Survey of AmeriCorps*VISTA Sponsoring Organizations. Corporation for National and Community Service.	End outcome	NA	NA	NA	SB	TBD	TBD

¹ The table reflects the Corporation's new, results-oriented performance indicators, adopted in FY 2003. The Corporation has initiated an effort to collect annual data for each indicator. FY 2004 baseline data and target levels for FYs 2005 and 2006 will be included in the Corporation's FY 2006 budget submission.

² NA, not available.

³ SB, set baseline.

⁴ TBD, to be determined.

⁵ Total dollar value includes donations, fundraising and in-kind donated goods and services.

BUDGET ACTIVITY 3: SENIOR CORPS

Summary of Budget Estimates for Senior Corps

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
Retired and Senior Volunteer Program (dollars in thousands)				
<i>Grants to projects</i>	56,435	56,384	67,384	11,000
Health & Nutrition	21,445	21,426	25,606	4,180
Education	5,644	5,638	6,738	1,100
Human Needs Services	17,495	17,479	20,889	3,410
Community & Economic Development	9,030	9,021	10,781	1,760
Other-Includes Homeland Security	2,822	2,819	3,369	550
<i>Communications</i>	294	500	500	0
<i>Training & technical assistance</i>	1,772	1,272	2,000	728
Total RSVP budget authority	58,501	58,156	69,884	11,728
Foster Grandparent Program				
<i>Grants to projects</i>	108,897	109,696	105,719	-3,977
Children and Youth	108,897	109,696	105,719	-3,977
<i>Communications</i>	101	125	225	100
<i>Training & technical assistance</i>	1,777	300	756	456
Total FGP Budget Authority	110,775	110,121	106,700	-3,421
Senior Companion Program				
<i>Grants to projects</i>	45,255	45,255	45,548	293
Independent Living	45,255	45,255	45,548	293
<i>Communications</i>	65	200	200	0
<i>Training & technical assistance</i>	940	532	815	283
Total SCP budget authority	46,260	45,987	46,563	576
Senior Demonstration Program				
<i>Communications</i>	150	-	150	150
<i>Training & technical assistance</i>	247	-	1,247	1,247
Total SDP budget authority	397	-	1,397	1,397
TOTAL BUDGET AUTHORITY	215,933	214,264	224,544	10,280
Program administration [non-add]:				
Personnel compensation	7,274	6,997	7,168	
Other expenses	2,311	2,342	3,445	
Staff FTE	92	89	89	
Volunteers				
RSVP	489,000	489,000	512,200	
Foster Grandparent Program	34,515	34,745	33,595	
Senior Companion Program	17,260	17,260	17,345	
Senior Demonstration	1,930	2,000	9,860	

About the Program

The Senior Corps programs—the Retired and Senior Volunteer Program (RSVP), the Foster Grandparent Program, the Senior Companion Program, and the Senior Demonstration Program—enable volunteers age 55 and over to serve needs in their communities and benefit from a positive and rich volunteer experience. Each program has distinct characteristics, and each holds a niche in the volunteer delivery systems in communities nationwide through more than 1,300 community-based organizations that serve as grantees.

RSVP

RSVP volunteers serve through a network of more than 65,000 nonprofit organizations and public agencies serving as placement sites or “volunteer stations.” Their many activities include mentoring children, recruiting other volunteers, coordinating blood drives, testing drinking water for contaminants, organizing Neighborhood Watch programs, and lending business and management expertise to community groups.

RSVP offers the most flexibility of service among the Senior Corps Programs. RSVP volunteers choose how, where, and how often they want to serve, and commitments range from a few hours a week to 40 hours per week, depending on the volunteers' interests and the agency's needs. RSVP volunteers are eligible to receive reimbursement for mileage service and insurance coverage while on assignment but do not receive monetary incentives or stipends.

Foster Grandparent Program

Since 1965, Foster Grandparents have provided aid, support and service to children and youth with exceptional needs in a variety of settings including schools, hospitals, drug treatment centers, correctional institutions, and Head Start and child care centers. They mentor children and troubled teenagers, model parenting skills to adolescent mothers, and care for premature infants and children with disabilities. In many cases, Foster Grandparents maintain an ongoing relationship with specific children for a year or longer. In other cases, such as that of Foster Grandparents assigned to a hospital pediatric ward where they help to comfort young patients, they serve a higher number of children for shorter durations of time.

Foster Grandparents serve schedules ranging from 15 to 40 hours per week, during which they provide one-on-one service to children and youth. Foster Grandparents must be age 60 or over and must meet certain income eligibility guidelines to receive the monetary stipend of \$2.65 per hour. Foster Grandparents also receive accident, liability, and automobile insurance coverage, if needed, during their assignments.

Senior Companion Program

The Senior Companion Program, like the Foster Grandparent Program, provides persons age 60 and over with the opportunity to serve. Senior Companions assist frail, homebound individuals, most of them elderly, with daily living tasks such as bill paying, buying groceries, and finding transportation to medical appointments, helping them retain their dignity and independence. They also provide companionship and support to their clients, many of whom are isolated and living alone. While some Senior Companions serve in community settings such as adult day care or respite centers, the majority of Senior Companions serve directly in the private homes of their clients, where their care provides respite for clients' caregivers. Senior Companions also serve as “eyes and ears” for case managers, identifying potential problems or services needed for 23,000 frail adults.

Senior Companions serve weekly schedules ranging from 15 to 40 hours per week and receive ongoing training in topics such as Alzheimer's disease, stroke, diabetes, and mental health. Companions who meet income guidelines are eligible to receive an hourly stipend of \$2.65.

Senior Demonstration Program

The Senior Demonstration Program was created to encourage innovation and experimentation with varying models of senior service that are not part of the Foster Grandparent, Senior Companion, or RSVP framework. Senior Demonstration tests new models and emerging effective practices for involving older people in volunteer service and builds on effective practices and lessons learned from the current Senior Corps programs and other national service activities. The goal of the Program is to find the best way to tap the vast civic potential of the coming baby boom generation: the largest, best-educated, healthiest, wealthiest, and longest-living generation of seniors in the nation's history.

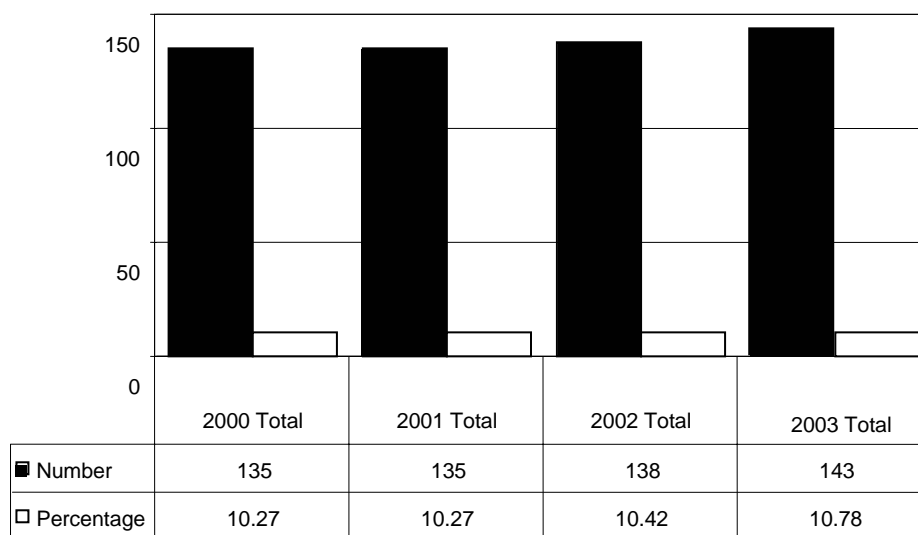
What We've Accomplished

Cross-Cutting Activities

In 2003, approximately 550,000 Senior Corps volunteers served in their local communities through a network of 1,318 RSVP, Foster Grandparent, and Senior Companion projects nationwide. Together these participants contributed more than 118 million hours of service.

Faith-based organizations in particular have made huge contributions to Senior Corps programs. In 2003, more than 55,000 Senior Corps volunteers, or 10% of all Senior Corps volunteers, served with 143 local projects sponsored by faith-based organizations.

Number and Percentage of Faith-Based Grants Awarded to Senior Corps Programs



In June 2003, Senior Corps released the Senior Corps Faith-Based Profile Executive Summary. This report, based on the findings of a survey conducted among Senior Corps grantees, focused on the extent to which RSVP volunteers, Foster Grandparents, and Senior Companions served through faith-based placement sites. Findings included the following:

A significant number of Senior Corps projects have placed participants with faith-based organizations: of the 710 respondents, 76 percent (539) had established such partnerships.

Many of these partnerships are long standing: on average, Senior Corps projects have partnered with faith-based organizations for 17 years.

Among responding projects, 25,021 Senior Corps participants have served with large faith-based organizations and 17,130 have served with small faith-based organizations.

On average, 11 percent of Senior Corps' volunteer stations are faith based.

RSVP

Each year, more than 485,000 RSVP volunteers provide service through a network of 757 local projects nationwide funded with Corporation and non-Corporation funds. These grantees in turn place volunteers in more than 65,000 community organizations, both faith-based and secular, that oversee and directly benefit from the service of RSVP volunteers.

In FY 2003, Senior Corps issued guidance encouraging RSVP projects to compete for expansions of their projects in the areas of homeland security, mentoring children of prisoners and children in foster care, and recruiting other volunteers. A total of 167 sponsors requested \$4,204,200 for these augmentations. A total of \$1,245,600 was awarded to 43 existing projects that added 2,100 new volunteers.

In FY 2003, RSVP volunteers helped coordinate disaster mitigation training for other community members and educated community groups and residents in preparing for emergencies, making communities safer, more secure, and better able to cope with and recover from disasters.

Sixty-nine RSVP sponsors were faith-based organizations. This is a 30 percent increase from the 53 faith-based sponsors reported in 2002 and represents 9 percent of all sponsors. In 2004, the goal for RSVP is to increase the number of faith-based volunteer stations by another 20 percent.

In 2003, RSVP also increased the number of volunteers providing mentoring, tutoring, and constructive guidance and feedback services to children and youth by 10 percent and will maintain this increased capacity into 2004. Beginning in 2003, RSVP grantees were encouraged to focus increased volunteer resources on mentoring children of prisoners.

In FY 2003, RSVP projects were directed to assign at least one RSVP volunteer to recruiting other senior volunteers, including new RSVP volunteers and other non-RSVP volunteers. The intent is to increase the number of leveraged volunteers by 10 percent each year.

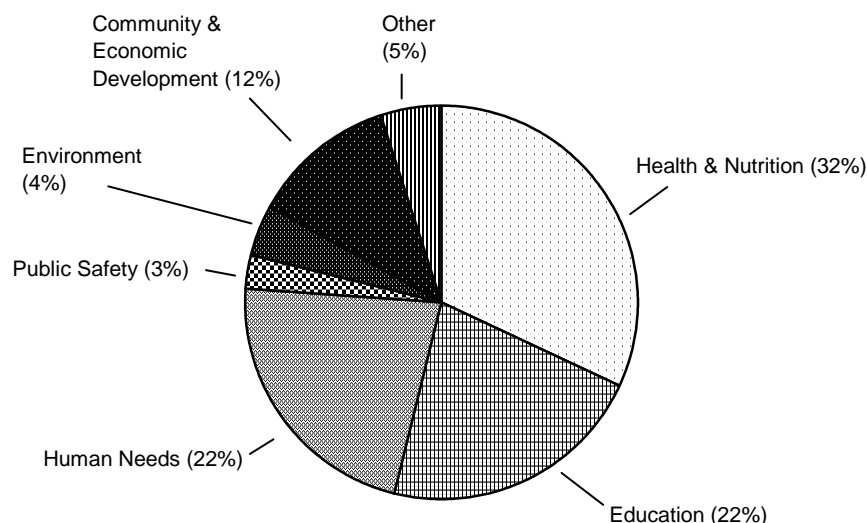
As a result of 2003 expansion, RSVP increased the number of volunteers engaged in homeland security. Examples include:

Conducting community patrols to free up more hours of police officer time;

Establishing and coordinating Neighborhood Watch programs;

Serving local police and community organizations to ensure safer neighborhoods;
Establishing partnerships with Citizen Corps Councils; and
Helping to train and educate community groups and citizens in effective disaster preparedness.

Distribution of RSVP Stations by Service Activity (based on 2001 data)



Foster Grandparent Program

Each year, more than 31,000 Foster Grandparents serve through a network of 338 local projects nationwide funded with Corporation and non-Corporation funds. These grantees in turn work with more than 10,000 community organizations, both faith-based and secular, that supervise the Foster Grandparents during their service.

In FY 2003, Senior Corps issued guidance encouraging existing Foster Grandparent projects to compete for expansions of their projects in the areas of mentoring children of prisoners and children in foster care. Fifty-one eligible sponsors requested \$2,776,000 for these augmentations. A total of \$1,435,500 was awarded to 23 sponsors to add 324 Foster Grandparent service years.

Also in 2003, \$671,920 was awarded to four new Foster Grandparent projects with 148 new volunteer service years. Sixteen organizations submitted applications, totaling \$3,154,300 for this national competition.

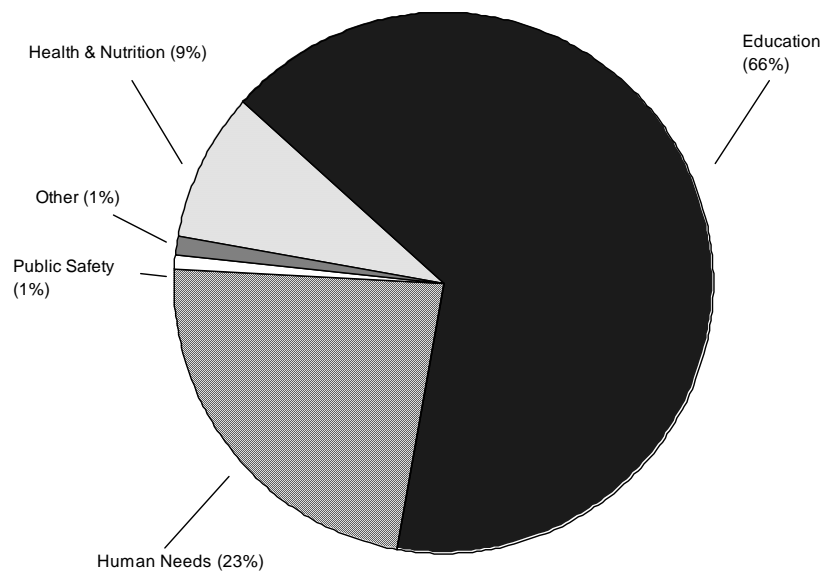
Some of the services provided to children and youth by Foster Grandparents included:

Providing school readiness and other services to 188,000 children in Head Start centers and day care centers;

Mentoring and providing one-on-one support to 27,000 children in grades 7–12;

Mentoring and providing one-on-one support to 104,000 children in K–6th grades;
Providing support and mentoring to 47,000 young offenders or ex-offenders;
Visiting and nurturing 53,000 hospitalized children; and
Helping with preparation for and recovery from medical operations for 30,000 children.

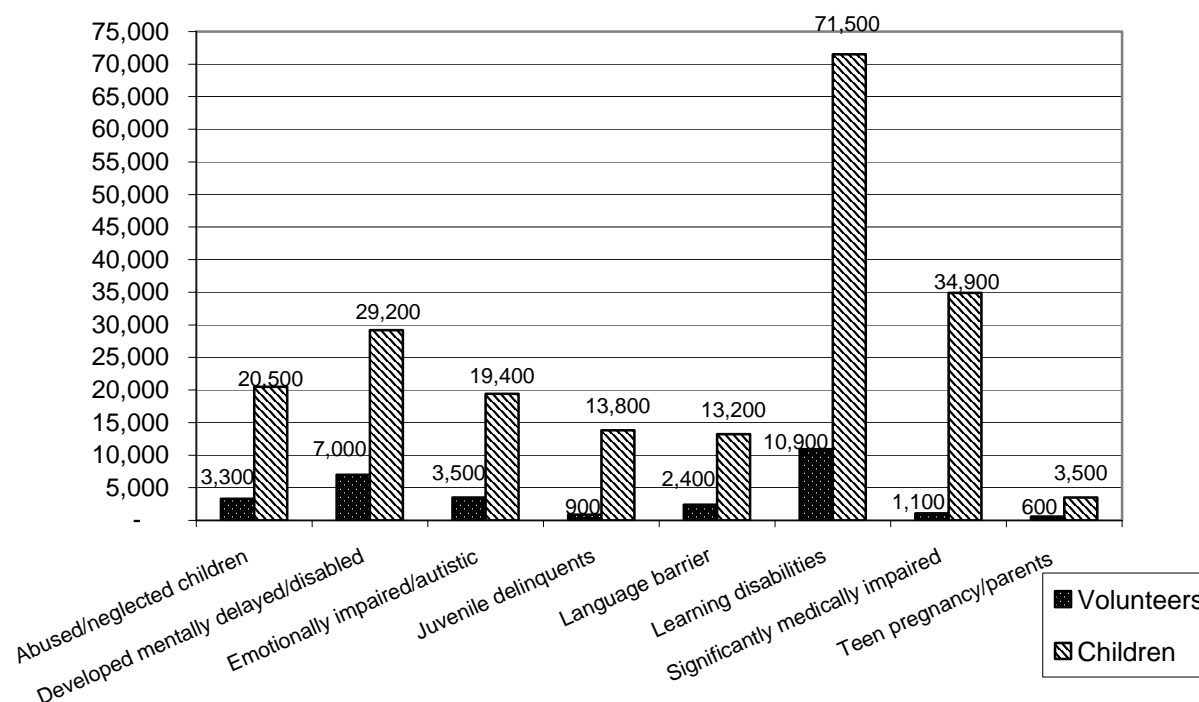
***Distribution of Foster Grandparent Program Stations by Service Activity
(based on 2001 data)***



In FY 2003, 39 Foster Grandparent sponsors were faith-based organizations. This is an 11 percent increase over the 35 faith-based sponsors in 2002 and represents 12 percent of all sponsors. In 2004, the goal is for the Foster Grandparent Program to increase the number of faith-based volunteer stations by another 20 percent.

The program will capture and report baseline figures for the numbers of children of prisoners and children in foster care served by Foster Grandparents beginning in 2004.

Special Needs in Foster Grandparent Program: Volunteers and Children Served



Senior Companion Program

Each year, over 17,000 Senior Companions serve through a network of 223 local projects nationwide funded with Corporation and non-Corporation funds. These grantees in turn work with more than 3,500 community organizations, both faith based and secular, that are responsible for supervising and overseeing the services of the Senior Companions.

In FY 2003, \$625,700 in federal funds added 135 Senior Companion service years through grant augmentations to 14 existing projects. A total of 40 projects submitted applications totaling \$1,731,000 for this competition.

In 2003, a national competition was held for new Senior Companion Program projects in geographic areas not served by the program. This competition yielded 42 applications totaling \$8,898,900. To support two new Senior Companion projects, \$411,200 was awarded, with a total of 90 new service years.

According to the *Senior Companion Program Accomplishment Report*, Senior Companions provided:

Light housekeeping, meal preparation, and nutritional information to 28,000 frail adults;

Respite for 20,000 caregivers;

Support for limited health and maintenance activities such as bathing, dressing and grooming for 18,000 adults;

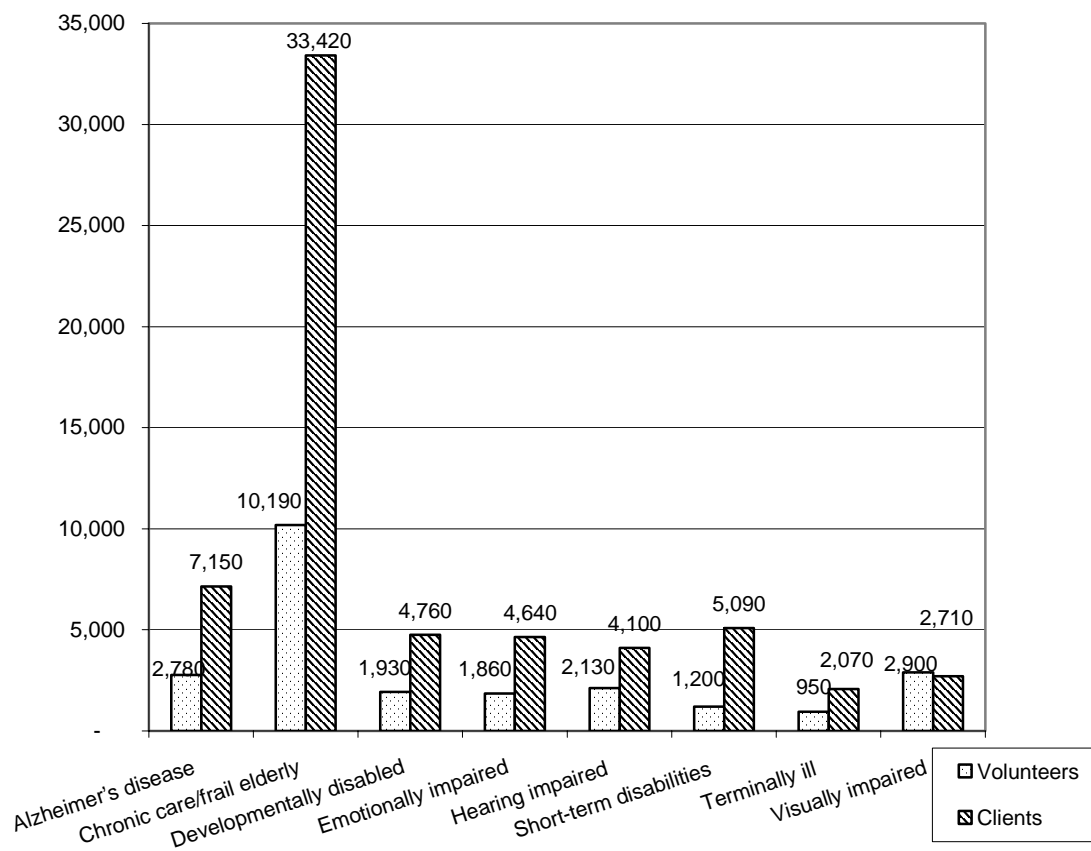
A means to allow organizations to offer new in-home services to 6,000 frail adults;

“Eyes and ears” to identify potential problems or services needed for case managers for 23,000 frail adults; and

Companionship to 69,000 frail adults to help ease their loneliness. Examples of activities include reading to and writing letters for them, and engaging them in conversation.

In FY 2003, 35 Senior Companion sponsors were faith-based organizations. This is a 25 percent increase over the 28 faith-based sponsors reported in 2002 and represents 16 percent of all sponsors. In 2004, the goal is for the Senior Companion Program to increase the number of faith-based volunteer stations by another 10 percent.

Special Needs in Senior Companion Program: Volunteers and Clients Served



Senior Demonstration Program

Since fiscal year 2000, Senior Corps has used its Senior Demonstration Program to implement tools and systems to expand senior volunteer service, both within its Senior Corps programs and for the broader network of senior service. Senior Corps recognized that increasing the number of seniors volunteering in their communities could be achieved through a two-prong approach:

Develop systems and promotional campaigns to direct potential volunteers to the three Senior Corps programs; and

Encourage organizations outside of the Senior Corps grantee network to use Senior Corps tools and strategies to attract senior volunteers to the outside organizations' service and volunteer opportunities.

Senior Corps launched its web-based recruitment system in June 2002 and continued to support and enhance the system in FY 2003. Potential volunteers can

choose from and express interests in more than 500,000 volunteer opportunities nationwide;

volunteer with Senior Corps grantee opportunities or choose from those offered by more than 150 different organizations not affiliated with Senior Corps;

find and express interests in these opportunities directly through the Senior Corps' website or through the USA Freedom Corps national database, of which the web-based recruitment system is a component.

Promoting the Senior Corps web-based recruitment system to the general public continues to be a critical element for success.

As a part of the Senior Demonstration Program, Senior Corps launched a new promotion campaign in 2003 called Ask a Friend. Ask a Friend was developed to help attract over 100,000 new volunteers age 55 and older to opportunities in their communities. Although it was envisioned as a bold national strategy to recruit significant numbers of new seniors as volunteers and thus contribute toward the President's goal of supporting 600,000 senior volunteers by the end of 2005, the "Ask a Friend" promotional campaign did not meet Senior Corps expectations. A total of only 2,000 volunteers were matched by the end of FY 2003.

In 2004, using funds appropriated for senior recruitment under the National and Community Service Act (NCSA), the Corporation will evaluate reasons for the disappointing outcomes and move forward with new strategies. By implementing new strategies in 2005, including maintaining and enhancing the web-based recruitment system as well as other vehicles, we are confident that at least 10,000 new senior volunteers will be recruited. Although this is well below our original goal, it still represents a highly cost-effective approach to volunteer recruitment.

Our Priorities for 2005

The FY 2005 budget request for Senior Corps supports the President's goal of providing service opportunities to 600,000 senior volunteers. Through the Senior Corps, the Corporation is committed to meeting or exceeding this goal. The following table lays out the plan, including volunteers supported by federal, state, and local resources:

Program	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ Decrease
RSVP	489,000	489,000	512,200	23,200
Foster Grandparent Program	34,515	34,745	33,595	(1,150)
Senior Companion Program	17,260	17,260	17,345	85
Special Volunteer Programs	8,025	13,200	17,200	4,000
Senior Demonstration	1,930	2,000	9,860	7,860
Silver Scholarships			9,800	9,800
Total Senior Corps Volunteers	550,730	556,205	600,000	43,795

The Corporation is requesting the same level of funding for the Foster Grandparent and Senior Companion Programs in FY 2005 as it requested in FY 2004. The requests are based on challenges encountered by some Foster Grandparent and Senior Companion grantees in filling all available positions.

One problem with filling positions is that these programs currently restrict stipends to low-income persons age 60 and over. Another is that the national poverty rate for older persons is now considerably less than when these programs were conceived in the 1960s, and contemporary volunteers are often compelled to choose between volunteering time for a stipend and devoting that time to a more lucrative income-earning job. To address these issues, the administration's reauthorization proposals include eliminating the means test and lowering the age of participation to 55. In the absence of reauthorization, the Corporation is providing additional flexibility to local projects to address this issue. For example, volunteers may now serve from 15 to 40 hours per week. Foster Grandparent and Senior Companion projects have indicated that this action has enabled them to attract and retain more eligible volunteers. During 2004 and 2005, we will monitor volunteer service year usage to determine if this action has enabled them to fully recruit and maintain service years.

We are requesting significant increases in RSVP and the Senior Demonstration Program to boost Senior Corps recruitment to reach the goal of 600,000 seniors engaged in service. Priorities are as follows:

- To help Senior Corps grantees enhance their performance measurement and project management skills;

- To help grantees focus their energies on developing volunteer opportunities that meet critical community needs;

To expand the capacity of Senior Corps grantees to recruit other volunteers and work with an increased number of faith-based and other community organizations;

To attract more volunteers between the ages of 55 and 64 using web-based and other recruitment strategies; and

To aggregate and report national outcomes and results of project activity.

Strengthening Accountability for Results

In FY 2003, when the Corporation adopted its Performance Measures Initiative, the Senior Corps built on its Programming for Impact (PFI) foundation to incorporate new and more rigorous standards for its grantees to use in documenting and reporting results. The PFI approach, which is an outcome-based model, places emphasis on meeting critical community needs and was a radical shift from the way the programs had operated for 25 years.

Some examples of PFI standards for 2003:

Beginning July 1, 2003, Senior Corps grantees due to be renewed must nominate 3–5 performance measures that they hope to achieve in their local project and document them in their application;

Performance measures self-nominated by grantees must include at least one output, one intermediate outcome, and one end outcome, each with corresponding indicators and identifying measurement tools; and

Grantees must use their semiannual progress reports to update the status of each performance measure.

Senior Corps met its PFI goals of 50 percent for RSVP and 90 percent for Foster Grandparent and Senior Companion Programs volunteers in outcome-based assignments.

In 2005, the RSVP, Foster Grandparent, and Senior Companion Programs will concentrate efforts on documenting and quantifying the actual results and data to support the many ways that participants contribute in key priority areas.

Securing the Homeland

In 2005, RSVP anticipates expanding services related to securing the homeland. RSVP volunteers will continue to educate the larger community about disaster preparedness; help neighborhoods develop evacuation and shelter-in-place plans; provide hands-on disaster relief; strengthen Citizen Corps Councils, and engage in other activities to help communities be more proactive about preventing disasters and better able to manage those that do occur.

Engaging Children and Youth

In 2005, RSVP anticipates expanding services related to children and youth. In 2005, the Foster Grandparent Program will provide service to an estimated 275,200 children and youth annually with 25,800 service years from federal, state and local sources.

Supporting Faith-Based and Other Community Organizations

In FY 2005, RSVP anticipates adding 500 new faith-based and other small community organizations as placement sites for RSVP volunteers. The Foster Grandparent Program proposes to add 300 new faith-based and other small community organizations as placement sites for Foster Grandparents. The Senior Companion Program proposes to add 120 new faith-based and other small community organizations as placement sites for Senior Companions.

Leveraging Volunteers and Dollars

Leveraging Volunteers

Programmatic modifications in RSVP introduced in 2003 will lead to increased numbers of RSVP volunteers recruiting other RSVP and non-RSVP senior volunteers. Increased funding for RSVP in 2005 will also lead to an estimated 20,000 new non-RSVP volunteers in service through recruitment efforts of RSVP volunteers.

The Corporation is also proposing \$1,397,000 in Senior Demonstration Program funds to maintain and enhance its web-based recruitment system and to develop and implement a promotional campaign to deliver the results not realized through the “Ask a Friend” campaign.

The web-based recruitment system will also support the Corporation’s objective of supporting service-learning activities in every school nationwide. Senior Corps recognizes that many sought-after volunteer service-learning coordinator positions could be filled by senior volunteers. Senior Corps will continue to work with Learn and Serve America to publicize volunteer service-learning opportunities and will encourage senior volunteers to serve.

Leveraging Dollars

The Senior Corps is committed to fulfilling the President’s Goal to grow senior service to 600,000 volunteers as a direct result of Senior Corps efforts and activities. Meeting this goal will require the use of federal investments and the leveraging of private resources. Strategies for success include:

- Filling 100 percent of the opportunities available through the RSVP, Foster Grandparent and Senior Companion programs;

- Funding approximately 23,200 new RSVP volunteers in existing and new projects to concentrate on high impact assignments;

- Increasing the number of RSVP volunteers placed specifically to recruit other volunteers; and

Maintaining the web-based recruitment system for senior service available to non-Senior Corps grantees to post opportunities and recruit volunteers.

The three Senior Corps programs have a long history of generating financial and in-kind support from state and local governments; United Ways; nonprofit, community, and other foundations; grant-making organizations; businesses; and the corporate sector.

For a number of years in RSVP, the non-Corporation funding for local projects has been 50 percent of the total costs, well in excess of the 30 percent requirement. Five local projects are supported totally from non-Corporation sources. In 2002, 28 states appropriated a total of \$6,386,843 for RSVP.

In recent years, non-federal contributions for the Foster Grandparent Program and Senior Companion Program have ranged from 27 to 42 percent, compared with the 10 percent requirement. Nine Foster Grandparent Program and 32 Senior Companion Program projects are wholly non-Corporation funded. In 2002, states appropriated over \$17 million for Foster Grandparent and Senior Companion Programs.

Due to state and local budget reductions, we are not projecting increases in non-Corporation funding in 2004 and 2005.

Program Evaluation

Cross-Cutting Activities

In November of 2003, the Corporation funded an evaluation contractor to conduct a major survey regarding the accomplishments, impacts, and effectiveness of the RSVP, Foster Grandparent, and Senior Companion Programs. Data collection is scheduled to begin in March 2004. Findings will include data on outputs, intermediate outcomes, and end outcomes tied to Senior Corps' Performance Indicators, as well as station-level data on management and administration. Volunteer stations do the bulk of the program's volunteer recruitment and management, staff members at headquarters have no direct contact with these volunteer stations. This study will provide Senior Corps grantees and the Corporation with a valuable volunteer station-level perspective.

RSVP

In 2002, The Corporation surveyed community representatives about RSVP (Research Triangle Institute. *Customer Satisfaction Survey*. 2002). Eighty-three percent of the respondents rated RSVP services as either "very important" or "extremely important." Overall, customer satisfaction among this group of respondents, most of whom live and work in organizations and communities served by RSVP volunteers, was high in terms of meeting expectations.

Foster Grandparent Program

Research Triangle Institute also surveyed community representatives about the Foster Grandparent Program in 2002. Eighty-one percent of the respondents rated Foster Grandparent Program services as either "very important" or "extremely important." Three out of four

respondents (78 percent) said that Foster Grandparents met needs that other services in the community did not adequately address.

The Corporation plans a full-scale rigorous evaluation of the Foster Grandparent Program, which will be similar in design to the recently completed longitudinal, multiple-control-group evaluation of the Senior Companion program. This evaluation will measure the impact of Foster Grandparents' care both on service recipients, such as the children they serve and their families, and on the agencies and institutions that host Foster Grandparents.

Senior Companion Program

The Corporation recently published the results of a rigorous evaluation that focused on the outcomes for the recipients of Senior Companion Program services that compared outcome data for a sample of Senior Companion clients with data collected from random samples from two control groups (individuals on the Senior Companion Program wait list and individuals who received care from other providers).

When compared with individuals on the wait list, participants demonstrated significant mental health benefits at both the three-month and nine-month follow-ups and had a particularly strong ongoing impact on seniors' rates of depression. Family caregiver surveys showed more limited benefits, but respondents did indicate that Senior Companions improved their ability to cope with the responsibility of caring for a frail senior family member. Overall, the Senior Companion Program was responsible for a number of positive benefits, controlling for other factors.

According to surveyed community representatives (Research Triangle Institute. *Customer Satisfaction Survey: Senior Companion Program*. 2000), Senior Companions are believed to provide older, frail adults with much needed care, companionship and support:

Eighty-two percent of respondents rated Senior Companion services as, at a minimum, "very important";

Seventy-nine percent of respondents indicated that Senior Companions address needs that are at least "somewhat critical" and that services were provided in a timely manner; and

Ninety-six percent of respondents said that the services met or exceeded expectations.

A survey conducted among the professionals who supervise Senior Companions at their placement organizations (Research Triangle Institute. *The Role and Value of Senior Companions in Their Communities*. 2001) found that

Seventy-five percent said that Senior Companions provide valuable respite care to family caregivers;

Sixty-one percent said that Senior Companions allowed them to serve a more diverse group of clients, including those with special needs or unable to pay for services; and

Sixty-four percent said that Senior Companions decrease the amount of time needed for paid professional staff, thus allowing them to undertake more duties.

RSVP Performance Indicators, Fiscal Years 2000–2005¹

Performance Indicators	Type of Measure	Actual				Goals	
		FY00	FY01	FY02	FY03	FY04	FY05
1. Number of RSVP volunteers dedicated to leveraging volunteers. Source: eGrants. Corporation for National and Community Service.	Output	NA	NA	NA	SB	TBD	TBD
2. Number of new volunteers recruited by RSVP volunteers. Source: TBD.	Intermediate outcome	NA	NA	NA	NA	SB	TBD
3. Percentage of volunteers who report that their service activity fits their experience, abilities and skills well. Source: TBD.	Intermediate outcome	NA	NA	NA	SB ²	TBD	TBD
4. Percentage of volunteers who would recommend service with RSVP. Source: TBD.	Intermediate outcome	NA	NA	NA	SB	TBD	TBD
5. Percentage of projects that meet target levels for their outcome-based objectives, as listed in the grant application work plan. Source: TBD.	End outcome	NA	NA	NA	SB	TBD	TBD
6. Percent of end beneficiaries (organizations serving as placement sites for RSVP volunteers) that report that their services are enhanced and improved as a result of RSVP service. Source: TBD.	End outcome	NA	NA	NA	SB	TBD	TBD

¹ The table reflects the Corporation's new, results-oriented performance indicators, adopted in FY 2003. The Corporation has initiated an effort to collect annual data for each indicator. FY 2004 baseline data and target levels for FYs 2005 and 2006 will be included in the Corporation's FY 2006 budget submission.

² SB, set baseline.

Foster Grandparent Program Performance Indicators, Fiscal Years 2000–2005¹

Performance Indicators	Type of Measure	Actual				Goals	
		FY00	FY 01	FY02	FY03	FY04	FY05
1. Percentage of Foster Grandparents who report improvements in mental health and/or social resources as a result of their service. Source: TBD.	End outcome	NA	NA	NA	NA	SB	TBD
2. Percentage of Foster Grandparents who would recommend service in the program. Source: TBD.	Intermediate outcome	NA	NA	NA	NA	SB	TBD
3. Number of children served categorized by type of service and special need. Source: TBD.	Intermediate outcome	NA	NA	NA	NA	SB	TBD
4. Percentage of projects that meet target levels for their outcome-based objectives, as listed in the grant application work plan. Source: TBD.	End outcome	NA	NA	NA	NA	SB	TBD
5. Proportion of administrative staff (principals, teachers, counselors, etc.) who feel that the Foster Grandparent Program volunteer made a significant impact. Source: TBD.	End outcome	NA	NA	NA	NA	SB	TBD

¹ The table reflects the Corporation's new, results-oriented performance indicators, adopted in FY 2003. The Corporation has initiated an effort to collect annual data for each indicator. FY 2004 baseline data and target levels for FYs 2005 and 2006 will be included in the Corporation's FY 2006 budget submission.

Senior Companion Program Performance Indicators, Fiscal Years 2000–2005¹

Performance Indicators	Type of Measure	Actual				Goals	
		FY00	FY01	FY02	FY03	FY04	FY05
1. Percentage of Senior Companions who report improvements in mental health and/or social resources as a result of their service. Source: To be determined.	End outcome	NA	NA	NA	NA	SB	TBD
2. Percentage of Senior Companions who would recommend service in Senior Companion Program. Source: To be determined.	Intermediate outcome	NA	NA	NA	NA	SB	TBD
3. Number of clients assisted categorized by special need of client. Source: To be determined.	Intermediate outcome	NA	NA	NA	NA	SB	TBD
4. Percentage of projects that meet target levels for their outcome-based objectives, as listed in the grant application work plan. Source: To be determined.	End outcome	NA	NA	NA	NA	SB	TBD
5. Percent of family members/caregivers/clients who report that the service provided by Senior Companions is helpful. Source: To be determined.	End outcome	NA	NA	NA	NA	SB	TBD

¹ The table reflects the Corporation's new, results-oriented performance indicators, adopted in FY 2003. The Corporation has initiated an effort to collect annual data for each indicator. FY 2004 baseline data and target levels for FYs 2005 and 2006 will be included in the Corporation's FY 2006 budget submission.

BUDGET ACTIVITY 4: SPECIAL VOLUNTEER PROGRAMS

Summary of Budget Estimates for Special Volunteer Programs

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
(dollars in thousands)				
<i>Grants</i>	8,638	8,876	13,750	4,874
Homeland security	4,471	8,876	13,750	4,874
Parent Drug Corps	4,167	-	-	-
<i>Outreach/recruitment</i>	156	500	500	-
<i>Training and technical assistance</i>	340	500	750	250
<i>Evaluation</i>	800	-	-	-
Total budget authority	9,934	9,876	15,000	5,124

About the Program

Special Volunteer Programs encourage and enable persons from all walks of life and all age groups to perform meaningful and constructive volunteer service in a variety of agencies, institutions, and situations. Special Volunteer Programs also provides technical and financial assistance to encourage voluntary organizations and volunteer efforts at the national, state, and local levels.

What We've Accomplished

Homeland Security Grants

In fiscal years 2002 and 2003, 17 Special Volunteer Program homeland security grants were awarded to national and local nonprofit agencies such as the American Red Cross and the American Radio Relay League, as well as cities, counties, and state commissions on national and community service. Over 170 applications were received in 2002 in response to the Homeland Security Notice of Funds Availability. In FY 2002, during the first year of operation, the grantees mobilized more than 12,000 community volunteers who received Red Cross disaster training, supported community preparedness meetings, and expanded the pool of trained volunteers available to serve in an emergency. In FY 2003, the grants supported 16,400 volunteers who:

- Participated in municipal emergency response planning and coordination;
- Expanded Citizen Emergency Response Teams and Volunteers in Police Service;
- Trained community members of all ages to understand and cope with acts of terrorism;
- Provided information to low-income communities about how to respond to bioterrorism;
- Developed public health strategies for responding to municipality-wide emergencies;

Special Volunteer Programs

Helped to organize Volunteer Organizations Active in Disasters in areas that lack them; and

Engaged senior volunteers in Neighborhood Watch programs.

In FY 2003, volunteer recruitment shifted to an emphasis on seniors and approximately 50% of the volunteers were seniors. The grants were renegotiated to recruit and place Special Volunteers who serve in an ongoing capacity and leverage other community volunteers.

In FY 2004, the 17 continuing grants will be eligible for their final year of funding. In addition, an estimated 13 new grants will be awarded to support approximately 6,600 new volunteers in activities related to homeland security, with an estimated 75% of volunteers (4,950) being seniors. These new awards will include special volunteers providing intensive ongoing service. Consequently, they are budgeted at a higher federal cost per volunteer. A total of 23,200 volunteers (including 13,200 senior volunteers) will recruit an estimated additional 92,000 community volunteers.

Parent Drug Corps

At the end of FY 2003, \$4.167 million was awarded to National Families in Action for development of a national training system and network of volunteer parents engaged in a nationwide substance abuse prevention effort over a period of three years. The remaining \$800,000 was awarded to RTI International for an evaluation of the Parent Drug Corps Program.

Using a “train the trainer” model, organizations will work with coordinators to train and support volunteer parents of children age 18 and under in providing drug prevention training. The goal of the program is to provide evidence-based training to increase parents’ skills in communication, management, and discipline aimed at reducing children’s risk for substance abuse, as well as creating a community-based support network for parents committed to substance abuse prevention.

Strengthening Accountability for Results

Beginning in 2003, all Homeland Security Special Volunteer Programs were required to self-nominate performance measures to which they agree to be held accountable by the close of their 3-year grant cycles. Each grantee was required to select at least one output, one intermediate outcome, and one end outcome, each with corresponding indicators and identifying measurement tools. Grantees then used semiannual progress reports to update the status of each performance measure.

The existing 17 Homeland Security grantees will operate under these self-selected performance measures in 2004. New grants awarded in 2004 and 2005 will be held to the same standards and will be required to establish performance measures and then report on progress toward meeting them.

Our Priorities for 2005

Securing the Homeland

A total of 46 grants, including an estimated 33 new projects in 2005 will enroll and support a total of 22,900 volunteers, of whom an estimated 17,200 will be seniors.

Programmatic elements include

- Ongoing opportunities to keep the volunteers continually engaged in homeland security activities;

- Emphasis on special volunteers serving assignments to specifically recruit other volunteers;

- Flexibility of service schedules including full-time, half-time, part-time, and episodic service; and

- An array of volunteer service roles, in direct service, leadership, recruitment, administrative, and partnership development.

The Corporation will actively seek and encourage the participation of retired professionals, such as law enforcement officers and emergency and firefighter professionals, to participate.

Leveraging Volunteers and Dollars

In FY 2005, the 22,900 volunteers will leverage approximately 91,600 other community volunteers who will receive information and training related to disaster preparedness and will be able to respond effectively if emergencies occur.

Program Evaluation

Parent Drug Corps

The Corporation will evaluate the implementation and impact of the Parent Drug Corps. The evaluation will assess

- Changes in parent-child communication about substance abuse;

- Knowledge about substance abuse;

- Perceptions of the harm of substance abuse;

- Risk behaviors related to substance abuse; and

- Actual levels of substance abuse among children.

NCSA PROGRAMS FY 2005 APPROPRIATION LANGUAGE

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Federal Funds

General and special funds:

NATIONAL AND COMMUNITY SERVICE PROGRAMS OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for the Corporation for National and Community Service (the “Corporation”) in carrying out programs, activities, and initiatives under the National and Community Service Act of 1990 [(the “Act”) (42 U.S.C. 12501 et seq.), \$553,225,000] \$636,232,000, to remain available until September 30, [2005] 2006: *Provided*, That not more than [\$314,000,000] \$452,233,000 of the amount provided under this heading shall be available for *the National Service Trust under subtitle D of title I of the Act and for grants under the National Service Trust Program authorized under subtitle C of title I of the Act [(42 U.S.C. 12571 et seq.)] (relating to activities of the AmeriCorps program), including grants to organizations operating projects under the AmeriCorps Education Awards Program (without regard to the requirements of sections 121(d) and (e), section 131(e), section 132, and sections 140(a), (d), and (e) of the Act), except no funds shall be available for programs authorized by section 121(b) of the Act: Provided further*, [That not less than \$130,000,000 of the amount provided under this heading, to remain available without fiscal year limitation, shall be transferred] *That from the amount provided under the previous proviso: [to the National Service Trust for educational awards authorized under subtitle D of title I of the Act [(42 U.S.C. 12601), of which]; (1) up to [\$5,000,000] \$4,000,000 shall be available to support [national service scholarships] the President’s Freedom Scholarships for high school students performing community service[, and of which \$10,000,000]; (2) up to \$10,000,000 shall be available to provide educational awards of \$1,000 to individuals age 55 or older, who complete a part-time term of service of 500 hours in an approved National Service position in a Silver Scholarship program and who may use the award for the senior’s own educational expenses as authorized in section 148 of the Act or transfer the award to another individual for use as authorized under section 148 of the Act; and (3) \$13,315,000 shall be held in reserve as defined in Public Law 108-45: [Provided further*, That in addition to amounts otherwise provided to the National Service Trust under the second proviso, the Corporation may transfer funds from the amount provided under the first proviso, to the National Service Trust authorized under subtitle D of title I of the Act (42 U.S.C. 12601) upon determination that such transfer is necessary to support the activities of national service participants and after notice is transmitted to Congress: *Provided further*, That of the amount provided under this heading for grants under the National Service Trust program authorized under subtitle C of title I of the Act, not more than \$55,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)):] *Provided further*, That from funds

*provided under this heading, the following amounts are available: (1) not more than [\$11,225,000 shall be available] \$30,010,000 for quality and innovation activities authorized under subtitle H of title I of the Act [(42 U.S.C. 12853 et seq.)], of which [\$3,000,000] \$4,000,000 shall be available for challenge grants to non-profit organizations[: *Provided further*, That notwithstanding subtitle H of title I of the Act (42 U.S.C. 12853), none of the funds provided under the previous proviso shall be used to support salaries and related expenses (including travel) attributable to Corporation employees: *Provided further*, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability: *Provided further*, That not less than \$25,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): *Provided further*, That not more than \$43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): *Provided further*, That not more than \$3,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639): *Provided further*, That]; (2) not more than \$10,000,000 [of the funds made available under this heading shall be made available] for the Points of Light Foundation for activities authorized under title III of the Act [(42 U.S.C. 12661 et seq.)], of which not more than \$2,500,000 may be used to support an endowment fund, the corpus of which shall remain intact and the interest income from which shall be used to support activities described in title III of the Act, provided that the Foundation may invest the corpus and income in federally insured bank savings accounts or comparable interest bearing accounts, certificates of deposit, money market funds, mutual funds, obligations of the United States, and other market instruments and securities but not in real estate investments[: *Provided further*, That no funds shall be available for national service programs run by Federal agencies authorized under section 121(b) of such Act (42 U.S.C. 12571(b)): *Provided further*, That]; (3) not more than [\$5,000,000 of the funds made available under this heading shall be made available to] \$7,500,000 for America's Promise—The Alliance for Youth, Inc.; (4) not more than \$4,000,000 for Teach for America; (5) not more than \$13,750,000 for higher education innovative programs for community service under section 119 of the Act: (6) not more than \$10,000,000 for grants to support the Silver Scholarship program: [: *Provided further*, That to the maximum extent practicable, the Corporation shall increase significantly the level of matching funds and in-kind contributions provided by the private sector, and shall reduce the total Federal costs per participant in all programs] (7) not more than \$14,568,000 shall be made available to provide assistance to state commissions on national and community service under section 126(a) of the Act: and (8) such additional amounts as may be necessary for educational awards authorized under subtitle D of title I of the Act, to be transferred to the National Service Trust: *Provided further*, That the Corporation may use up to one percent of program grant funds made available under this heading to defray its costs of conducting grant application reviews, including the use of outside peer reviewers. (42 U.S.C. 12501 et seq., 12571, 12601, 12661 et seq., 12853 et seq.; Division G, H.R. 2673, Consolidated Appropriations Bill, FY 2004.)*

[SALARIES AND EXPENSES]

[For necessary expenses of administration as provided under section 501(a)(4) of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) including payment of salaries, authorized travel, hire of passenger motor vehicles, the rental of conference rooms in the District of Columbia, the employment of experts and consultants authorized under 5 U.S.C. 3109, and not to exceed \$2,500 for official reception and representation expenses, \$25,000,000.] (Division G, H.R. 2673, Consolidated Appropriations Bill, FY 2004.)

Language Analysis

Language Provision/Change	Explanation
<p>Add: <i>Provided</i>, that not more than \$452,233,000 of the amount provided under this heading shall be available for the National Service Trust under subtitle D of title I of the Act and for grants under the National Service Trust Program authorized under subtitle C of title I of the Act...</p> <p>Add: <i>Under this heading, the following amounts are available...(8) such additional amounts as may be necessary for education awards authorized under subtitle D of title I of this Act, to be transferred to the National Service Trust</i></p>	<p>The proposed language makes available a single amount for AmeriCorps grants and the National Service Trust and gives the Corporation discretion in how much to use for each purpose. It goes a step beyond the FY 2004 Consolidated Appropriations Act, which sets a minimum amount for the National Service Trust and allows for the transfer of additional funds from the AmeriCorps grants appropriation, subject to Congressional approval. The complexities of managing the AmeriCorps grants portfolio make this kind of flexibility essential.</p>
<p>Add: <i>(3) up to \$10,000,000 shall be available to provide educational awards of \$1,000 to individuals age 55 or older, who complete a part-time term of service of 500 hours in an approved National Service position in a Silver Scholarship program and who may use the award for the senior's own educational expenses as authorized in section 148 of the Act or transfer the award to another individual for use as authorized under section 148 of the Act</i></p>	<p>The Corporation proposes a Silver Scholarship program to support the President's goal of teaching all children to read by the third grade. This provision authorizes funding from the National Service Trust for \$1,000 scholarships to reward seniors who volunteer 500 or more hours tutoring or mentoring children in a Silver Scholarship program. See Budget Activity 13 in the justification for more details.</p>
<p>Delete: <i>Provided further</i>, That in addition to amounts otherwise provided to the National Service Trust under the second proviso, the Corporation may transfer funds from the amount provided under the first proviso, to the National Service Trust authorized under subtitle D of title I of the Act (42 U.S.C. 12601) upon determination that such transfer is necessary to support the activities of national service participants and after notice is transmitted to Congress:</p>	<p>This language is obviated by proposed language that makes available a single amount for both AmeriCorps grants and the National Service Trust.</p>
<p>Delete: <i>Provided further</i>, That of the amount provided under this heading for grants under the National Service Trust program authorized under subtitle C of title I of the Act, not more than \$55,000,000 may be used to administer, reimburse, or support any national service program authorized under section 121(d)(2) of such Act (42 U.S.C. 12581(d)(2)):</p>	<p>The Corporation is concerned that capping funding for National Direct grants may prevent us from supporting outstanding service programs.</p>

Language Provision/Change	Explanation
<i>Add: Provided further, That notwithstanding any other provision of law, of the funds made available under this heading, \$13,750,000 shall be made available to higher education innovative programs for community service under part II of subtitle B of title I of this Act:</i>	By statute, Learn and Serve America funding must be divided among school-based, community-based and higher-education programs. This language allows for a proposed \$3 million increase in Learn and Serve funding to be targeted to grants for training future teachers to integrate service-learning into their lessons.
<i>Delete: Provided further, That notwithstanding subtitle H of title I of the Act (42 U.S.C. 12853), none of the funds provided under the previous proviso shall be used to support salaries and related expenses (including travel) attributable to Corporation employees:</i>	While the proposed FY 2005 subtitle H budget does not include any salaries or related expenses, deleting this language gives effect to section 198(a) of the authorizing statute, which permits the Corporation to carry out identified activities directly with subtitle H funds.
<i>Delete: Provided further, That to the maximum extent feasible, funds appropriated under subtitle C of title I of the Act shall be provided in a manner that is consistent with the recommendations of peer review panels in order to ensure that priority is given to programs that demonstrate quality, innovation, replicability, and sustainability:</i>	Removes an unnecessary provision, as the Corporation is already required under Section 133 of the National and Community Service Act to use peer review panels and has institutionalized this practice.
<i>Delete: Provided further, That not less than \$25,000,000 of the funds made available under this heading shall be available for the Civilian Community Corps authorized under subtitle E of title I of the Act (42 U.S.C. 12611 et seq.): Provided further, That not more than \$43,000,000 shall be available for school-based and community-based service-learning programs authorized under subtitle B of title I of the Act (42 U.S.C. 12521 et seq.): Provided further, That not more than \$3,000,000 shall be available for audits and other evaluations authorized under section 179 of the Act (42 U.S.C. 12639):</i>	Deletes specific statutory allocations to provide the Corporation greater flexibility, with Congressional approval, to reallocate resources during the year.
<i>Add: (4) not more than \$4,000,000 for Teach for America; and (5) \$10,000,000 for grants to support the Silver Scholarship program:</i>	Makes available funds for a grant to Teach for America, which is described in the Partnership Grants chapter, and for the aforementioned Silver Scholarship program.
<i>Add: Provided further, that notwithstanding any other provision of law, of funds provided under this heading not more than \$14,568,000 shall be made available to provide assistance to state commissions under section 126(a) of the Act:</i>	By statute, at least forty percent of funding allocated to Program Administration is made available for state commission administrative grants. The amount provided to state commissions by this language is forty percent of the proposed Program Administration funding level before the shift of salaries and expenses from subtitle H to Program Administration. It is \$2,568,000 more than the amount provided by the FY 2004 Consolidated Appropriations Act.

Language Provision/Change	Explanation
Add: <i>Provided further, That the Corporation may use up to one percent of program grant funds made available under this heading to defray its costs of conducting grant application reviews, including the use of outside peer reviewers.</i>	The NCSA mandates the use of peer reviewers in selecting AmeriCorps grants and the Corporation uses a small portion of AmeriCorps grant funds for the AmeriCorps grant review process. This language would allow other grant programs, such as Learn and Serve America and Next Generation grants, to do the same.
Delete: For necessary expenses of administration as provided under section 501(a)(4) of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) including payment of salaries, authorized travel, hire of passenger motor vehicles, the rental of conference rooms in the District of Columbia, the employment of experts and consultants authorized under 5 U.S.C. 3109, and not to exceed \$2,500 for official reception and representation expenses, \$25,000,000.	Deletes specific statutory allocations to provide the Corporation greater flexibility, with Congressional approval, to reallocate resources during the year.

ADMINISTRATIVE PROVISIONS

Notwithstanding any other provision of law, the term “qualified student loan” with respect to national service education awards shall mean any loan determined by an institution of higher education to be necessary to cover a student’s cost of attendance at such institution and made, insured, or guaranteed directly to a student by a State agency, in addition of other meanings under section 148(b)(7) of the National and Community Service Act.

Notwithstanding any other provision of law, funds made available under section 129(d)(5)(B) of the National and Community Service Act to assist entities in placing applicants who are individuals with disabilities may be provided to any entity that receives a grant under section 121 of the Act.

[The Inspector General of the Corporation for National and Community Service shall conduct random audits of the grantees that administer activities under the AmeriCorps programs and shall levy sanctions in accordance with standard Inspector General audit resolution procedures which include, but are not limited to, debarment of any grantee (or successor in interest or any entity with substantially the same person or persons in control) that has been determined to have committed any substantial violations of the requirements of the AmeriCorps programs, including any grantee that has been determined to have violated the prohibition of using Federal funds to lobby the Congress: *Provided*, That the Inspector General shall obtain reimbursements in the amount of any misused funds from any grantee that has been determined to have committed any substantial violations of the requirements of the AmeriCorps programs.]

[For fiscal year 2004, the Corporation shall make any significant changes to program requirements or policy only through public notice and comment rulemaking. For fiscal year 2004, during any grant selection process, no officer or employee of the Corporation shall knowingly disclose any covered grant selection information regarding such selection, directly or indirectly, to any person other than an officer or employee of the Corporation that is authorized

by the Corporation to receive such information.] (Division G, H.R. 2673, Consolidated Appropriations Bill, FY 2004.)

Language Analysis

Language Provision/Change	Explanation
Delete: The Inspector General of the Corporation for National and Community Service shall conduct random audits of the grantees that administer activities under the AmeriCorps programs and shall levy sanctions in accordance with standard Inspector General audit resolution procedures which include, but are not limited to, debarment of any grantee (or successor in interest or any entity with substantially the same person or persons in control) that has been determined to have committed any substantial violations of the requirements of the AmeriCorps programs, including any grantee that has been determined to have violated the prohibition of using Federal funds to lobby the Congress: <i>Provided</i> , That the Inspector General shall obtain reimbursements in the amount of any misused funds from any grantee that has been determined to have committed any substantial violations of the requirements of the AmeriCorps programs.	The Corporation supports a strong OIG audit function, but believes that conducting audits based on risk assessment is more cost-effective than conducting them randomly. Moreover, the imposition of sanctions and the collection of amounts due is best left to the Corporation's management, as is the case with other Federal agencies.
Delete: For fiscal year 2004, the Corporation shall make any significant changes to program requirements or policy only through public notice and comment rulemaking.	This language infringes on the prerogatives of the Executive Branch in carrying out programs consistent with the authorizing statute.
Delete: For fiscal year 2004, during any grant selection process, no officer or employee of the Corporation shall knowingly disclose any covered grant selection information regarding such selection, directly or indirectly, to any person other than an officer or employee of the Corporation that is authorized by the Corporation to receive such information.	The provisions of the Privacy Act and the Freedom of Information Act provide an appropriate set of rules in this area, making this provision unnecessary.

BUDGET ACTIVITY 5: NCSA PROGRAM ADMINISTRATION

Summary of Budget Estimates for NCSA Program Administration

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
(dollars in thousands)				
AmeriCorps	3,655	4,902	5,028	126
<i>AmeriCorps State & National Recruitment (1)</i>	3,655	3,583	3,683	100
		1,319	1,345	26
CEO	6,324	8,155	10,585	2,430
<i>Office of the Chief Executive Officer</i>	942	884	907	23
<i>Public Affairs (1)</i>	54	1,141	3,387	2,246
<i>General Counsel</i>	1,194	1,222	1,254	32
<i>Chief Operating Officer</i>	1,882	852	876	24
<i>Office of Leadership Development and Training (1)</i>	0	1,583	1,625	42
<i>Equal Opportunity Office</i>	472	477	489	12
<i>Human Resources</i>	1,780	1,996	2,047	51
Learn and Serve	1,063	1,235	1,268	33
<i>Learn and Serve</i>	1,063	1,235	1,268	33
CFO	9,325	11,971	12,013	42
<i>Office of the Chief Financial Officer</i>	3,264	3,564	3,409	(155)
<i>Office of Information Technology</i>	1,989	4,125	4,208	83
<i>National Service Trust</i>	1,560	1,634	1,673	39
<i>Accounting</i>	925	914	940	26
<i>Grants Management</i>	1,587	1,734	1,781	47
<i>State Commission Admin Grants</i>	11,922	14,619	14,568	(51)
<i>Carryover Funding (2)</i>		-4,100		
Total Program Administration	32,289	36,782	43,462	6,680
(1) In FY 2003, salaries and administrative expenses for the offices of Leadership Development and Training, Recruitment, and Public Affairs were funded from the Innovation (Subtitle H) account.				
(2) \$2.7 million of the FY 2003 funds carried over into FY 2004 represents State Commission Admin grant funding.				

About the Program

The Program Administration budget activity funds the salaries and operating expenses of the Corporation's programs and administrative offices. Program Administration costs are shared between the NCSA and DVSA appropriations, as shown in the following table.

Funded by NSCA	Funded by DVSA	Joint-Funded
AmeriCorps*State and National Recruitment Learn and Serve America CEO (Immediate Office) COO (Immediate Office) Leadership Development and Training CFO (Immediate Office) General Counsel Equal Opportunity National Service Trust Grants Management State Commissions	Senior Corps AmeriCorps*VISTA Research and Policy Development Intergovernmental Affairs Procurement Field Liaison State Offices Service Centers Administrative Services	Information Technology Accounting Human Resources Public Affairs

The Corporation is requesting \$14.6 million for state commission administration grants. By statute, state commissions receive at least 40 percent of total NCSA Program Administration funding. However, the FY 2004 appropriation de-links the state commission administration grants amount from Program Administration funding. Our FY 2005 request level represents 40 percent of the Program Administration request level before the shift of Subtitle H (Innovation, Demonstration, and Assistance) funding to the Program Administration account. We propose that, going forward, state commission administration funding be requested at a specified level, and that the funding level be cited in the appropriation language. The Corporation will develop a procedure for determining appropriate funding for the commissions.

What We've Accomplished

Implemented key reforms to ensure proper accounting for trust fund liabilities and budgetary needs. These reforms are detailed in the National Service Trust chapter. In FY 2004, the Corporation will complete a comprehensive financial management improvement plan.

Began enhancing the CFO's budget, planning and program management capacity and adding staff to conduct program and budget reviews and integrate budget and performance measurement.

Launched the eGrants system to automate grants application and management. In FY 2004, we will undertake eGrants Phase II to address problems and incorporate ideas surfaced during the rollout and deliver greater functionality.

Our Priorities for 2005

Funding increases are proposed in the areas below.

Staffing and Compensation

The Corporation is requesting current services funding to cover a 1.5 percent cost of living adjustment (\$196,000). The Corporation is also requesting an additional \$244,000 for merit pay adjustments.

Shifting Salaries and Expenses Costs from Innovation

Conference level funding for FY 2004 includes \$4.33 million in salaries and operating expenses that were previously funded from the Corporation's Subtitle H (Innovation, Demonstration, and Assistance) appropriation. The funds are for the offices of Leadership Development and Training, Recruitment, and Public Affairs. This shift, which is reflected in our FY 2005 request, consolidates all Corporation salaries and operating expenses (with the exception of AmeriCorps*NCCC) into the Program Administration budget activity.

Employee Training

We request an increase of \$150,000 for professional development and training, which would raise our spending on training as a percentage of base salaries from 1 percent to the federal government average of 2 percent. A recent human capital assessment by the Office of Personnel Management (OPM) found that while the Corporation manages its training program strategically, funding limitations are a barrier to employee development. This funding will enable the Corporation to assess staff competencies and training needs and incorporate appropriate training into office strategic planning and employee work plans.

Public Affairs

The Corporation is requesting an increase of \$2.25 million in funding for its Public Affairs department to help grantees achieve rising recruitment goals and support them in their efforts to attract more private support. Thousands of the Corporation's grantees, from State service commissions and national nonprofits to small community and faith-based programs, rely on Public Affairs materials to help them recruit participants, build partnerships, and become more sustainable in their operations. This budget request will allow us to meet these critical needs through the following areas:

Publications and Marketing (\$1,593,800)

Developing, revising, and updating more than 100 publications—including program director manuals, member handbooks, applications, marketing brochures, reports, and program fact sheets.

Creating a new public service advertising campaign to replace the latest campaign, which was produced and launched in FY 2002 and resulted in \$9 million in donated air time.

Producing and distributing new program-specific training videos and bilingual public service messages for television, radio, newspapers, magazines, and the web to more than 40,000 media outlets. Such top-quality marketing materials are critically important to local programs as they seek to raise their "match" and become more sustainable.

Special Initiatives and Outreach (\$563,200)

Updating and supporting the warehousing of displays and exhibits used at key conferences and meetings with potential grantees and corporate donors; those exhibits have not been updated in many years.

Building up the inventory of service gear and identity items used by members and volunteers.

Improving the online catalog for those items which we administer through a contract with Mississippi Industries for the Blind (MIB).

Supplying community groups with program and marketing materials for Martin Luther King, Jr. Day of Service.

Press and Public Information (\$89,000)

Restoring clip and press release services.

Improving media training and outreach to individual programs as they try to increase public awareness of the work they do in order to attract private support.

Other Operations

Beyond specific increases cited above, the Corporation is requesting an increase of 1.5 percent (\$99,600) above current operations funding to cover non-pay inflation.

NCSA Program Administration Budget Detail

FY 2005 NCSA Salaries & Expenses	FTE	S&E - Program Admin					Total Admin	2004 Budget	Change
		Sals/Ben	Travel	Rent	Technology	Other			
AmeriCorps	44	3,862	205	0	0	15,529	19,596	19,521	75
AmeriCorps State & National	39	3,355	156			173	3,683	3,583	100
Recruitment	5	507	50			789	1,345	1,319	26
State Commission Admin funding						14,568	14,568	14,619	-51
CEO	64	6,664	379	0	0	3,544	10,587	8,155	2,432
Office of the Chief Executive Officer	9	734	124			50	908	884	24
Public Affairs	7	639	110			2,639	3,388	1,141	2,247
General Counsel	9	1,069	6			179	1,254	1,222	32
COO	8	809	1			66	876	852	24
Office of Leadership Development and Training	11	1,416	122			87	1,625	1,583	42
EEO	4	383	16			90	489	477	12
Human Resources	16	1,614				433	2,047	1,996	51
Learn & Serve	12	1,085	52	0	0	131	1,268	1,235	33
Learn and Serve	12	1,085	52			131	1,268	1,235	33
CFO	67	6,615	141	0	2,707	2,548	12,011	11,971	40
Office of the Chief Financial Officer	15	1,698	14			1,697	3,409	3,564	-155
Office of Information Technology	13	1,462	39		2,707		4,208	4,125	83
Trust	14	943	20			710	1,673	1,634	39
Accounting	8	937				3	940	914	26
Grants management	17	1,575	68			138	1,781	1,734	47
<i>Carryover</i>								-4,100	
	187	18,226	777	0	2,707	21,752	43,462	36,782	6,680

BUDGET ACTIVITY 6: AMERICORPS*STATE AND NATIONAL

Summary of Budget Estimates for AmeriCorps*State and National

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
		(dollars in thousands)		
Formula grants to states	54,621	90,915	89,644	-1,271
Competitive grants to states	70,948	117,487	118,911	1,424
Direct national competitive grants to eligible nonprofit organizations	27,437	54,985	55,000	15
Education award program	---	6,000	6,000	---
Set-asides for U.S. territories	---	2,772	2,689	-83
Set-asides for Indian tribes	4,332	2,772	2,689	-83
Total grants	157,338	274,931	274,933	2
Child care for members	2,000	9,000	8,000	-1,000
Training and other grantee support	8,000	10,000	9,000	-1,000
Total obligations	167,338	293,931	291,933	-1,998
Transfer to Trust	---	14,395	---	
Carryover from prior year	---	-6,525	---	
Carryover to next year	6,525	---	---	
Allowance (1)	---	10,346	---	
Total Budget Authority	173,863	312,147	291,933	-20,214
Program administration [non-add]:				
Personnel compensation	11,210	11,593	11,724	
Other expenses	20,117	22,207	28,688	
Staff FTE	132	131	129	
Trust fund [non-add]:				
Education award members	44,114	68,987	68,975	
Education award FTE	25,569	43,440	43,432	
Education award cost	69,318	117,766	117,744	

¹See discussion in How We Built the AmeriCorps Budget section.

About the Program

Created in 1993, the primary mission of AmeriCorps*State and National is to provide financial support through grants to non-governmental and government entities sponsoring national service programs that meet critical community needs in education, public safety, health, and the environment. One-third of AmeriCorps*State and National grant funds are distributed by a population-based formula to Governor-appointed state service commissions, which in turn make

grants to local nonprofits and public agencies. One percent of program funds are set aside for tribal entities, and one percent of program funds are set aside for U.S. territories. Roughly 25 percent of grant funds are awarded to national nonprofits operating national service projects in two or more states. The remaining grant funds are awarded to state service commissions on a competitive basis to fund local nonprofit and public entities operating local community service projects.

AmeriCorps*State and National grants have been used to provide the organizational infrastructure and financial support for more than 40,000 Americans each year who provide intensive service to local communities across the country. AmeriCorps*State and National members serve through more than 900 nonprofits, public agencies, and faith-based organizations. Members tutor and mentor youth, build affordable housing, teach computer skills, clean parks and streams, run after-school programs, and help communities respond to disasters. In addition, these trained and dedicated people help nonprofits accomplish more by helping to make more effective use of volunteers.

What We've Accomplished

Since 1994, more than 306,464 men and women have served in AmeriCorps*State and National and more than 149,628 AmeriCorps education awards have been used by members accessing increased opportunities for higher education and academic training.

Forty-six thousand AmeriCorps*State and National members served in FY 2003, and over 68,000 are expected to serve in 2004.

In FY 2003, 30,000 AmeriCorps members served over 1.6 million children and youth in education programs, and in 2004, the number serving is expected to increase to 38,000. This commitment supports our performance goal of increasing the number of members serving children and youth and advances the President's goal of ensuring that all children can read by the third grade.

In FY 2003, approximately 9,000 AmeriCorps members served in faith-based and other community organizations. In FY 2004, the number of AmeriCorps members serving in faith-based and other community organizations is expected to be over 25,000, supporting our performance goal of increased grants to these organizations.

In FY 2004, the number of state commissions meeting all administrative standards will increase to 50, which supports our commitment to increasing monitoring and accountability of state commissions.

In FY 2003, to meet our goal of increasing volunteer leveraging, approximately 530,000 volunteers were recruited and trained by AmeriCorps members. In FY 2004, the number of volunteers is expected to increase to approximately 600,000.

Our Priorities for 2005

Overall, AmeriCorps*State and National anticipates providing opportunities for service to nearly 68,000 Americans in 2005. While members will serve in a variety of organizations and provide service in a variety of settings, the Corporation has identified several priority areas for funding.

Strengthening Accountability for Results

AmeriCorps*State and National Program Funds and Members by Issue Area, 2003–2005

	FY 2003	FY 2004 Estimate	FY 2005 Target
Homeland security	\$2,800	\$7,700	\$7,700
Children and youth	78,669	137,466	137,438
<i>Child literacy</i>	70,802	123,719	123,694
Faith based and community based	62,935	109,972	109,950

AmeriCorps*State and National will continue to support its grantees' efforts to demonstrate their results through performance measurement. In 2005 programs will be required to develop performance measures, collect data, and report on end outcomes. An increased emphasis on outcome evaluation will result in improved evaluation reporting to the Corporation. We will continue to monitor the administrative standards of state commissions.

Securing the Homeland

In 2005, AmeriCorps*State and National members will plan, prepare, train and practice response capabilities, and coordinate with public emergency response systems. Members will also respond to disasters and support first responders during natural and manmade disasters. Approximately 2,000 members and \$7.7 million of program funds will be devoted to this activity.

Engaging Children and Youth

AmeriCorps*State and National members will continue to serve children and youth in 2005, including tutoring and mentoring, increasing access to health care, providing safe and educational after-school programs, and supporting families in crisis. Over 40,000 members and \$120 million of program funds will support child literacy.

Supporting Faith-Based and Other Community Organizations

Supporting faith-based and other community organizations will continue to be a priority and a requirement for AmeriCorps*State and National in 2005. Members will provide services to children and youth, build houses, and support health care needs in faith-based and other community organizations. We estimate that close to 27,000 members and \$109 million of program funds (40 percent of total) will go to faith-based and other community organizations.

Leveraging Volunteers and Dollars

The AmeriCorps*State and National Guidelines for Grant Applicants require applicants to address volunteer leveraging. Member activities include creating and managing volunteer programs and recruiting, training, and supervising volunteers. Members will leverage 625,000

volunteers serving 5.2 million hours. In 2005, AmeriCorps*State and National will implement systems to measure the resources generated by members.

The FY 2005 AmeriCorps Budget

The following targets and assumptions were used to build our FY 2005 plans and are based on our best estimates. For the most part, they mirror our preliminary FY 2004 plans.

Number of members

The member target is based on the President's goal of supporting 75,000 AmeriCorps members, the same as FY 2004.

Program mix

Program	Number of Members	Percent of Members
State & National Stipended Programs	38,975	52%
Education Award Only (EAP)	30,000	40%
State and National subtotal	68,975	92%
VISTA members electing education award	4,775	6%
NCCC	1,250	2%
Total AmeriCorps members in Trust	75,000	100%
VISTA members electing stipend	1,782	

The projected portfolio includes:

40% Education Award Only (EAP) members. EAP grants provide \$400 per FTE for operating costs plus an education award. The grantee is responsible for any stipend, but is subject to minimal reporting requirements.

6,000 professional corps and other low-cost members in the stipended programs (State Formula, State Competitive, National Direct, Tribes and Territories). This is the same number as planned for 2004 and significantly higher than previous years.

Cost per FTE

The projected average cost per FTE of State and National stipended programs (not including EAP) is about \$9,450. This amount includes the Corporation's share of member support (other than the education award and child care) and program operating costs. It is the same level as planned for 2004 and is 10% below the 2002 baseline level. Continuation grants are funded at the same average cost per FTE as the previous year.

The increase in professional corps members in 2004 and 2005 is largely responsible for the reduced average cost per FTE in the stipended programs.

The discounted cost per FTE for education awards is \$2,711. Budgeting for education award costs is detailed in the National Service Trust chapter.

Planning for Uncertainty

Based on our current planning assumptions, we may be able to achieve our 75,000 member goal in FY 2004 with \$10 million less than we will have available in new budget authority and carryover from FY 2003. This \$10 million will serve as a small (about 3% of AmeriCorps grant funds) allowance against the uncertainties inherent in our planning assumptions, giving us a much-needed margin for error in our estimates and some room for negotiation during our rulemaking process.

Program Evaluation

AmeriCorps Tutoring and Student Reading Achievements

A 2001 study of children in grades 1–3 found that “students participating in AmeriCorps tutoring programs improved their reading performance from pre-test to post-test more than the gain expected for the typical child at their grade level” (Abt Associates. *AmeriCorps Tutoring and Student Reading Achievements*. 2001).

The Program Assessment Rating Tool Finding

In its 2002 Program Assessment Rating Tool (PART) review, AmeriCorps*State and National received an overall program score of 36 percent and a rating of “Results Not Demonstrated.” The PART indicated that AmeriCorps*State and National needed to establish new financial management procedures to ensure that the Corporation has timely and accurate information on AmeriCorps enrollments and to strengthen annual and long-term performance measures.

Program Assessment Rating Tool (PART) Summary

Section	Score (%)	Weighting (%)	Weighted Score (%)
Program purpose and design	60	20	12
Strategic planning	71	10	7
Program management	36	20	7
Program results	20	50	10
Total program score		100	36

The review recommended that AmeriCorps*State and National

Establish new financial management procedures to ensure that the Corporation has timely and accurate information on AmeriCorps enrollments that are within budgeted levels and properly records education award obligations in the Trust;

Strengthen existing performance measures and indicators and develop more outcome-oriented annual and long-term performance measures;

Develop better methodology to quantify recruitment results; and

Present data in a transparent and meaningful manner.

The Corporation has taken specific actions to respond to these recommendations and improve AmeriCorps*State and National. First, it has established and implemented the following procedures to ensure coordination between the AmeriCorps program and the Chief Financial Officer in approving AmeriCorps positions:

Prior to each grant review, the Chief Financial Officer provides the Director of AmeriCorps with the budgeted number of members and program funds to be considered in the grant cycle.

Prior to making grant recommendations to the CEO, the Director of AmeriCorps ensures that the number of projected positions that would result from the recommended awards is within the number of budgeted positions provided by the CFO prior to the award process.

Prior to the final approval of grant awards by the Board, the CFO reviews the recommendations and certifies that there are sufficient Trust resources available to support the recommended awards.

The Corporation has also developed the following new enrollment procedures through which AmeriCorps programs begin tracking enrollments from the point at which the program enters into a commitment with a prospective AmeriCorps member:

Programs enter information about their commitments into the web-based reporting system (WBRS) used by AmeriCorps programs to track member information.

These commitments are then tracked by the Corporation to provide information on the number of individuals expected to begin service in AmeriCorps.

Once these individuals actually begin serving, the local AmeriCorps program completes enrollment information in WBRS within 30 days.

This information is then transmitted to the Corporation and is recorded as a Trust enrollment.

The WBRS system has also been adapted to provide users with prompts to alert them of commitments that are approaching the 30-day deadline and automatically cancels commitments once they are 45 days past due to become enrollments.

In addition to these system developments to improve tracking of enrollments, the Corporation generates a biweekly report of enrollments for review by the Director of AmeriCorps, the CFO and the CEO. It includes updated information on the number of positions that have been awarded, the number of commitments to individuals to begin service, and the number of actual Trust enrollments to date.

To strengthen existing performance measures and indicators and develop more outcome-oriented annual and long-term performance measures, beginning in 2002, the Corporation began a major

multi-year performance measurement initiative to assess outcomes in federally funded volunteer programs.

The Corporation contracted with the Urban Institute in 2002 to examine the Corporation's current performance reporting and provide improvement recommendations. In 2003, the Corporation began implementing the following recommendations designed to shift annual performance reporting from process-oriented accomplishments (count of services) to results-oriented outcome reporting (impact of services) and to enable the Corporation to use performance data to make management and programmatic improvements:

The program guidance for AmeriCorps now includes requirements for each grantee to submit information on performance documenting the actual impact of the program on people receiving services and on communities.

AmeriCorps has also developed national outcome-oriented performance measures and indicators to report on program performance, which are included in the 2005 Budget Estimate and Performance Plan.

The Department of Research and Policy Development has initiated an effort to collect annual performance data from AmeriCorps grantees and members.

The Corporation is committed to implementing long-term performance measures that are directly linked to annual performance reporting in accordance with GPRA. The Corporation is developing quantifiable performance indicators for each strategic objective, focusing on results-oriented and long-term performance measurement.

To develop better methodology to quantify recruitment results, AmeriCorps guidelines have been revised to require grantees to submit at least one performance measure addressing volunteer leveraging and management. AmeriCorps is also establishing a more reliable means to quantify volunteer leveraging and report results (ratio of volunteers to members).

Finally, as part of the Corporation's Performance Measurement Initiative, the Department of Research and Policy Development is in the process of identifying methods to disaggregate national performance data and report information on program performance for states and grantees, making the presentation of the data more transparent and meaningful.

**Recommendations to the Corporation for National and Community Service,
AmeriCorps*State and National, from the PART Review**

Recommendation	Lead Organization and Official	Completion Date	On Track?	Comments on Status	Next Milestone	Next Milestone Date
Establish new financial management procedures to ensure that the Corporation has timely and accurate information on AmeriCorps enrollments that are within budgeted levels and properly record education award obligations in the Trust.	CFO, Michelle Guillermin	Completed	Yes	Memorandum outlining new procedures sent to all AmeriCorps*State and National grantees on 1/22/03.	Develop procedures to ensure accurate enrollment of AmeriCorps members and timely recording of financial obligations in the Trust and cancel over-enrollment policy.	Completed
Strengthen existing performance measures and indicators and develop more outcome-oriented annual and long-term performance measures.	Research and Policy Development, David Reingold	In progress	Yes	Performance Measurement Initiative begun in 2003. AmeriCorps has strengthened existing measures and indicators and developed new outcome-oriented performance measures.	Collect and report data associated with new measures.	11/15/04
Develop better methodology to quantify recruitment results.	Research and Policy Development, David Reingold	In progress	Yes	AmeriCorps guidelines currently require grantees to submit at least one performance measure addressing volunteer leveraging and management. AmeriCorps is establishing a more reliable means to quantify volunteer leveraging (ratio of volunteers to members).	Identify methods to reliably quantify volunteer leveraging (ratio of volunteers to members).	05/01/04
Present data in a transparent and meaningful manner.	Research and Policy Development, David Reingold	In progress	Yes	Performance Measurement Initiative developed in 2003. Currently identifying methods to develop performance and accountability measures for states.	Identify methods to disaggregate national performance data and report information on program performance at the state level.	02/01/04

Performance Indicators for AmeriCorps*State and National, Program Years 2000–2005¹

Performance Indicators	Type of Measure	Actual				Goals	
		PY00	PY01	PY02	PY03	PY04	PY05
1. Percentage of AmeriCorps*State and National members completing their term of service. ² Source: National Service Trust Database. Corporation for National and Community Service.	Output	73.1%	76.3%	75%	75%	80%	80%
2. The number of state commissions meeting all of the state administrative standards criteria. Source: AmeriCorps*State and National Administrative Standards Review. Corporation for National and Community Service.	Intermediate outcome	NA	NA	18	34	50	52
3. Number of volunteers resulting from AmeriCorps*State and National activities. Source: AmeriCorps*State and National. Corporation for National and Community Service.	Intermediate outcome	NA	NA	BTBD ³	530,000	600,000	625,000
4. Percentage of members increasing their level of civic engagement because of AmeriCorps*State and National. Source: National Survey of AmeriCorps Members. Corporation for National and Community Service.	End outcome	NA	NA	BTBD	TBD	TBD	TBD

¹ The table reflects the Corporation's new, results-oriented performance indicators, adopted in FY 2003. The Corporation has initiated an effort to collect annual data for each indicator. FY 2004 baseline data and target levels for FYs 2005 and 2006 will be included in the Corporation's FY 2006 budget submission.

² For members who complete service during a program year, divide the number of members who met the requirements for an education award by the total number who completed service. If the average is 74.6 percent, seven of every ten members who left the program during the year earned an education award.

³ BTBD, baseline to be determined.

Performance Indicators	Type of Measure	Actual				Goals	
		PY00	PY01	PY02	PY03	PY04	PY05
5. The percentage of AmeriCorps*State and National programs meeting established end-outcome performance measures. Source: AmeriCorps*State and National. Corporation for National and Community Service.	End outcome	NA	NA	BTBD	TBD	TBD	TBD
6. Percentage of AmeriCorps*State and National members indicating that their service experience influenced their career, educational or professional goals. Source: National Survey of AmeriCorps Members. Corporation for National and Community Service.	End outcome	NA	NA	BTBD	TBD	TBD	TBD
7. The percentage of AmeriCorps*State and National service recipients reporting that they received high quality services. Source: End-beneficiary Survey. Corporation for National and Community Service.	End outcome	NA	NA	BTBD	TBD	TBD	TBD

BUDGET ACTIVITY 7: AMERICORPS*NCCC

Summary of Budget Estimates for AmeriCorps*NCCC

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
	(dollars in thousands)			
<i>Member support</i>	14,209	14,093	14,105	12
<i>Program support</i>	8,940	8,940	8,940	
<i>Total support</i>	23,149	23,033	23,045	
Homeland security	2,547	2,547	2,547	
Digital divide	1,389	1,389	1,389	
Education	3,473	3,473	3,473	
Low-income house builds	1,852	1,852	1,852	
Other activities	13,888	13,888	13,888	
<i>Facility improvements</i>	-	-	2,097	2,097
<i>Child care for members</i>	-	-	-	-
<i>Health insurance for members</i>	1,688	1,820	1,885	65
Total budget authority	24,837	24,853	27,027	2,174
Program administration [non-add]:				
Personnel compensation	4,466	4,554	4,718	
Other expenses	4,443	4,940	6,713	
Staff FTE	151	152	153	
Trust fund [non-add]:				
Education award members	1,276	1,238	1,250	
Education award FTE	1,276	1,238	1,250	
Education award cost	3,459	3,356	3,389	

About the Program

Modeled after the Civilian Conservation Corps and the United States military, the AmeriCorps*National Civilian Community Corps (AmeriCorps*NCCC) is a ten-month, full-time, team-based residential program for men and women ages 18–24 whose mission is to strengthen communities and develop leaders through national and community service. Members receive a \$4,000 annual living allowance plus room and board. At the successful completion of their service, members are eligible to receive an education award.

Since 1994, more than 9,000 members have helped nonprofit groups provide disaster relief, tutor children, preserve the environment, build homes for low-income families, and meet other challenges. AmeriCorps*NCCC service is direct and team-based. Members serve communities in every state at the request of local and state sponsors and receive training in CPR, first aid, and mass care.

AmeriCorps*NCCC members live and train at five regional campuses. Three of the campuses occupy closed military bases in Charleston, South Carolina; Denver, Colorado; and Sacramento, California. Of the two other campuses, one is based at a medical facility for veterans in Perry Point, Maryland and the other at a municipal facility in Washington, DC.

What We've Accomplished

In FY 2003, AmeriCorps*NCCC engaged 1,276 members on 693 projects in all 50 states and the Virgin Islands. Nearly 90 percent of program participants completed the program, investing nearly 2 million service hours in local communities. Members served alongside 30,000 volunteers, or 24 volunteers per member. On projects like the Habitat for Humanity Collegiate Challenge members coordinated the activities of other volunteers.

Between November 2002 and October 2003, members responded to 36 requests for disaster relief. AmeriCorps*NCCC teams

- Fought fires in Colorado, Wyoming, and Arizona and helped search for debris from the Space Shuttle Columbia disaster;

- Assisted citizens displaced by a typhoon in Guam; tornadoes in Kansas, Mississippi, Oklahoma, and Missouri; and floods in Texas, Kentucky, Alabama, and Tennessee;

- Helped coordinate a disaster relief simulation in Baltimore, MD;

- Distributed potassium iodide and preparedness information to residents in California; and

- Assisted the American Red Cross in weatherizing homes as a safety precaution in the event of a disaster in Florida.

Agreements and partnerships with first responder organizations like the Colorado Office of Emergency Response and the National Pharmaceutical Stockpile were established. One hundred percent of AmeriCorps*NCCC members were trained in CPR, first aid, and basic disaster relief, an increase of 15 percent from FY 2002.

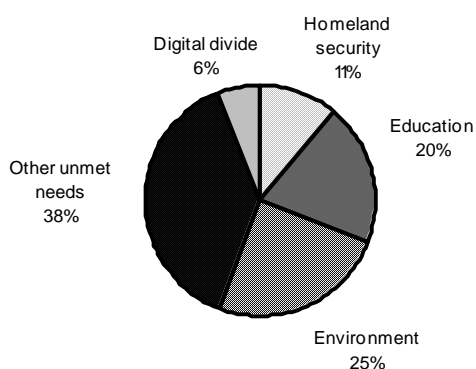
In FY 2003, 23 percent of projects were completed with faith-based organizations, a 4 percent increase over the FY 2002 level. Project sponsors included the Broad Street Methodist Church in Ohio, where members renovated an emergency shelter and transitional home; and the Interfaith Ministries in Kansas, where members restored an abandoned apartment building. Our partnerships with Habitat for Humanity affiliates across the country also resulted in hundreds of new homes.

In FY 2004, AmeriCorps*NCCC will enroll 1,238 members at five campuses. Homeland security will continue to be an important program priority, representing approximately 10 percent of the projects conducted by members. In preparation for a more formal and rigorous evaluation of member experiences in FY 2004, AmeriCorps*NCCC pilot tested an online member exit survey in FY 2003. Also in 2004, NCCC members, staff, and alumni will observe the 10-year anniversary of AmeriCorps.

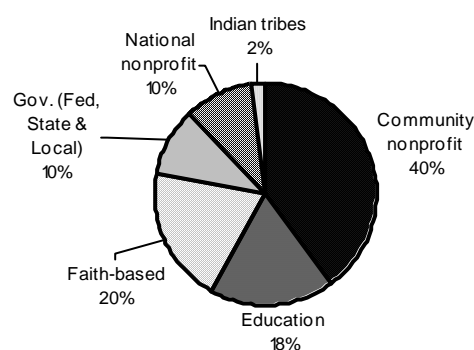
Our Priorities for 2005

In FY 2005, 1,250 members will serve on approximately 650 projects supporting the Corporation's priorities in every state and result in an investment of more than 2 million direct service hours in local communities. Service projects will address a number of priorities including education, housing, homelessness, hunger, youth development, the environment, public safety, and homeland security.

Sixty percent of all project sponsors will represent community-based organizations, including faith-based and secular groups. Project sponsors will also include schools, local municipalities, national and state parks, and Indian tribes. The following figures reflect the planned FY 2005 projects by issue area and type of sponsor. These projections are based on actual performance in FY 2003.



Project by Issue Area
FY 2005
N = 650



Types of Project Sponsors
FY 2005
N = 410

Our budget also includes \$2 million for one-time facility improvements, which are described in detail later in the chapter.

Strengthening Accountability for Results

Accountability for program performance will continue to be a high priority in FY 2005. A member exit survey will be developed, administered, and analyzed by an external provider through the Department of Research and Policy Development.

The implementation of a project sponsor satisfaction survey in FY 2004 will build on the existing project certification process and contribute to increased accountability for and effectiveness of the service that members perform in local communities (project certification requires the project sponsor to contribute to and sign a completion report that summarizes the

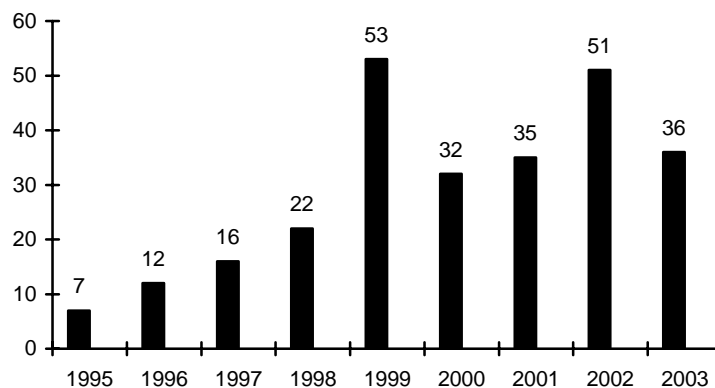
activities performed by a team and the outcomes of the service). In FY 2005, the first full year that this data collection program will be operational, AmeriCorps*NCCC will attempt to secure completed project sponsor satisfaction forms from at least 50 percent of all project sponsors.

Program accountability is also monitored through in-progress reviews (IPRs) of each campus. The IPR is an in-depth, on-site review of program activities, projects, facilities, and administrative requirements using national standards. Standards that are measured include project outreach and development, management and leadership, and member quality of life. In FY 2005, IPRs will be conducted at all five campuses with the goal that each campus will meet all fourteen standards.

Securing the Homeland

At a moment's notice, AmeriCorps*NCCC members will deploy to communities to address national crises as a result of natural and other disasters. Member availability and readiness are critical to the AmeriCorps*NCCC ability to respond effectively. Working in cooperation with the American Red Cross, the Emergency Preparedness and Response Directorate, the National Parks Service, and the U.S. Forest Service, 100 percent of members will be trained in disaster relief and mass care.

Disaster Responses: FY 1995–2003



In FY 2005, homeland security projects will represent approximately 11 percent (72 projects) of the annual service project portfolio. Based on lessons learned in FYs 2003 and 2004, AmeriCorps*NCCC will increase partnerships with other government agencies and nonprofit organizations to implement national homeland security efforts and with local jurisdictions and community-based organizations to help develop and implement community security plans.

Engaging Children and Youth

Approximately 35 percent of all projects will directly benefit or engage children and youth. Teams will serve with community-based organizations such as Boys & Girls Clubs, YMCAs and YWCAs, summer camps, public schools, and other organizations that focus on youth development and support.

Following are examples from FY 2003 of AmeriCorps*NCCC project outputs that impacted children and youth:

Renovated 118 Boys & Girls Clubs buildings and rooms

Tutored over 25,000 students

Supported 129 summer programs and more than 6,000 youth in these programs

Worked with close to 10,000 at-risk youth and youth offenders

Constructed 21 playgrounds

Facilitated activities for more 20,000 students in out-of-school programs

Painted or renovated close to 100 school rooms and hallways

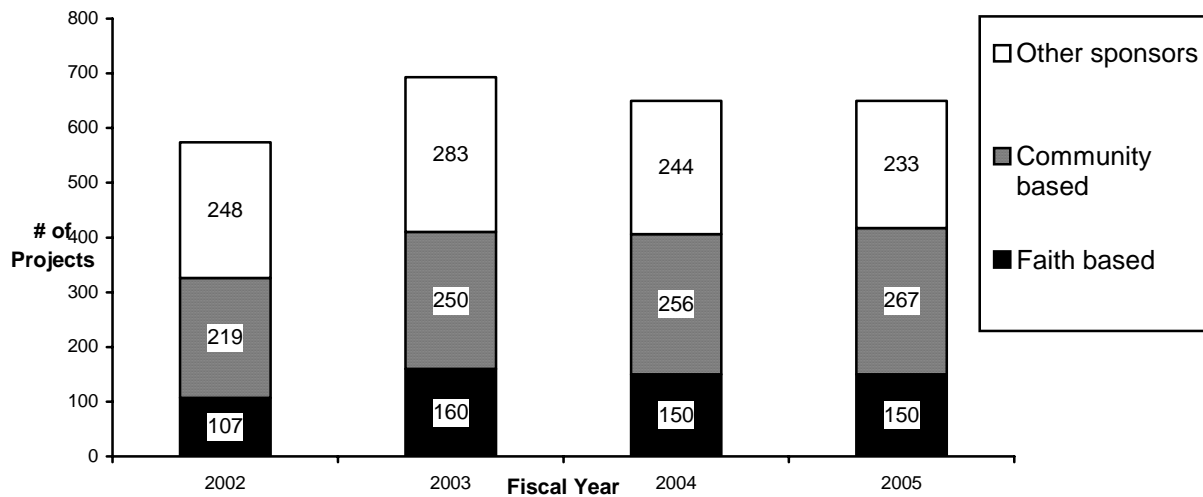
Started or supported 75 outdoor education and environmental programs

Supporting Faith-Based and Other Community Organizations

Project sponsors are representative of a wide variety of organizations, including faith-based and other community organizations. In addition to our home building projects with Habitat for Humanity affiliates and other faith-based groups that address low-income housing issues, AmeriCorps*NCCC teams will work with local YMCAs, summer camp programs, and Sacred Places, a national nonprofit that supports the renovation of faith-based facilities that are in disrepair for usage as community centers and other social programs.

In an effort to better serve urban areas and provide more support to small community-based organizations, AmeriCorps*NCCC expanded project outreach in urban communities. This expansion has resulted in a significant increase in the number of service projects with faith-based and other community organizations.

Faith-Based and Other Community Projects



Leveraging Volunteers and Dollars

The team-based structure of AmeriCorps*NCCC and member organizing skills enhance the capability of organizations to engage local volunteers. Annually, AmeriCorps*NCCC works with the Habitat for Humanity Collegiate Challenge Program to coordinate the activities of thousands of student volunteers. In addition to the Collegiate Challenge, AmeriCorps*NCCC collaborates with hundreds of Habitat for Humanity facilities nationwide and on average constructs about 175 houses annually for low-income families through our work with housing organizations and in cooperation with local volunteers.

AmeriCorps*NCCC involvement with local community-based organizations often serves as a critical stimulus for other volunteers. Dedicated team members help community organizations plan for and utilize other volunteers successfully. In FY 2005, AmeriCorps*NCCC will continue to support local organizations in their efforts to effectively engage local volunteers. For every member that serves, AmeriCorps*NCCC will engage at least 24 volunteers.

AmeriCorps*NCCC is currently working with the Corporation's budget staff to examine campus operating costs. This budget assumes that we can become even more efficient and increase members without increasing operating costs.

Facility Improvements

An additional \$2,097,000 is requested in FY 2005 for one-time improvements to the five AmeriCorps*NCCC campus facilities. Since the facilities are government operated, AmeriCorps*NCCC is responsible for much of the cost of maintaining the buildings and grounds. With the program emphasis on increasing the numbers of volunteers and projects, building maintenance has historically received a low funding priority. Due to the age of the facilities, roof replacement, routine painting, parking lot and sidewalk repaving, heating ventilation and air conditioning system upgrades, and plumbing repairs are needed.

A program goal in FY 2005 is to improve access to all campus facilities for members and visitors with disabilities. Accessibility projects will target office, administrative, and training space and residential dormitories, including bathrooms, member rooms, common spaces, and dining areas.

Finally, funds are also required to upgrade AmeriCorps*NCCC regional computer networks. The five sites have been configured in a piecemeal fashion over the last nine years, with campuses making infrastructure changes to meet their needs within their budgets. Additional wide-area network distribution equipment and industry-standard cabling configurations will increase supportability by the Office of Information Technology, as well as the reliability of network use at the campuses. The following table summarizes the types and costs of facility improvements by campus.

Types and Costs of Facility Improvements by Campus

Facility improvement	Capital Region Washington, DC	Central Region Denver, CO	Northeast Region Perry Point, MD	Southeast Region Charleston, SC	Western Region Sacramento, CA	Total
Accessibility improvements ¹	\$15,500	\$323,000	\$165,500	\$323,000	\$323,000	\$1,150,000
Roof repairs	0	0	0	\$244,000	0	\$244,000
Fire safety enhancements	0	0	\$177,000	0	0	\$177,000
General repairs	\$38,000	0	\$25,000	\$130,000	\$208,400	\$401,400
Network upgrades	\$22,000	\$27,000	\$22,000	\$27,000	\$27,000	\$125,000
Total	\$75,500	\$350,000	\$389,500	\$724,000	\$558,400	\$2,097,400

¹Includes \$100,000 for an ADA study of all five sites.

Program Evaluation

AmeriCorps 2000–2001 Community Outcomes Study

A multi-year study that evaluated the community outcomes of AmeriCorps*NCCC projects (Westat, Inc. *Community Outcomes Study*. 2001) found that

A majority of sponsors report that implementation was successful;

Teams attained all of the projects' objectives; and

Most projects appear to have produced positive outcomes for communities, organizations, and individuals that would not have occurred otherwise.

AmeriCorps*NCCC Team Effectiveness and Leadership Study

During FY 2002, the University of Maryland conducted a study of AmeriCorps*NCCC to learn more about team dynamics, leadership, and effectiveness. The study focused on diversity among members of the team, strategies for team leaders to maximize team effectiveness and member satisfaction, traits of highly effective and satisfying teams, and how teams evolve over time. The study consisted of three surveys of AmeriCorps*NCCC members: at the beginning of the

program year, midway through, and at the conclusion of the program. A detailed report that summarizes findings will be available in FY 2004. Preliminary findings have resulted in team leader training that includes increased emphasis on conflict management and resolution, among other areas.

*AmeriCorps*NCCC Online Member Survey*

For the first time since the Corporation was established, a pilot online member survey was implemented to collect feedback about the member's national service experience. Of the 1,100 members that successfully completed AmeriCorps*NCCC, 563 or 52% responded to the survey. When asked about the motivation to join AmeriCorps*NCCC, respondents overwhelmingly felt that helping solve problems in communities (75%), making a difference (91%), and helping people in communities (91%) was very or extremely important. 81.3% agreed or strongly agreed that they will be a more involved citizen in their community because of their AmeriCorps*NCCC experience.

Planned Studies in FY 2005

A member exit survey and a sponsor satisfaction survey will be developed and implemented in FY 2004 in cooperation with the Department of Research and Policy Development and external evaluation contractors. Information from these surveys will provide outcome data that will help AmeriCorps*NCCC report on performance measures.

AmeriCorps*NCCC Performance Indicators, Program Years 2000–2005¹

Performance Indicators	Type of Measure	Actual				Goals	
		PY00	PY01	PY02	PY03	PY04	PY05
1. Percentage of members completing their term of service. ² Source: National Service Trust Database. Corporation for National and Community Service.	Output	84.2%	88%	85%	88%	90%	90%
2. Number of AmeriCorps*NCCC members supporting homeland security. ³ Source: AmeriCorps*NCCC; National Survey of AmeriCorps Members. Corporation for National and Community Service.	Output	NA	NA	SB ⁴	TBD	TBD	TBD
3. Number of volunteers resulting from AmeriCorps*NCCC activities. Source: AmeriCorps*NCCC Project Activities Database. Corporation for National and Community Service.	Intermediate outcome	NA	NA	15,000	30,000	30,000	30,000
4. Percentage of project sponsors indicating that AmeriCorps*NCCC members made a significant contribution to achieving the project's objectives. Source: Survey of AmeriCorps*NCCC Community-based Project Sponsors. Corporation for National and Community Service.	End outcome	NA	NA	SB	TBD	TBD	TBD

¹ The table reflects the Corporation's new, results-oriented performance indicators, adopted in FY 2003. The Corporation has initiated an effort to collect annual data for each indicator. FY 2004 baseline data and target levels for FYs 2005 and 2006 will be included in the Corporation's FY 2006 budget submission.

² For members who complete service during a program year, divide the number of members who met the requirements for an education award by the total number who completed service. For example, if the average is 70 percent, 7 of every 10 members who left the program during the year earned an education award.

³ Homeland security includes programs that help to plan, equip, train, and practice the response capabilities of many different units to mobilize without warning for any emergency (e.g., police officers, firefighters, emergency medical providers, public works personnel, and emergency management officials) and programs that develop response plans and emergency management systems in cooperation with state and local government. Public health and safety programs are included only when they directly support emergency preparedness and response efforts.

⁴ SB, set baseline.

Performance Indicators	Type of Measure	Actual				Goals	
		PY00	PY01	PY02	PY03	PY04	PY05
5. Percentage of AmeriCorps*NCCC members indicating that their service experience influenced their career, educational, or professional goals. Source: National Survey of AmeriCorps Members. Corporation for National and Community Service.	End outcome	NA	NA	SB	TBD	TBD	TBD
6. Percentage of AmeriCorps*NCCC members increasing their level of civic engagement because of AmeriCorps*NCCC. Source: National Survey of AmeriCorps Members. Corporation for National and Community Service.	End outcome	NA	NA	SB	TBD	TBD	TBD

BUDGET ACTIVITY 8: NATIONAL SERVICE TRUST

Summary of Budget Estimates for National Service Trust

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase (Decrease)
		(dollars in thousands)		
<i>Education awards</i>	82,350	110,792	128,010	17,218
<i>Interest forbearance</i>	3,500	4,500	5,175	675
<i>Reserve</i>	10,000	9,941	13,315	3,374
<i>President's Freedom Scholarships</i>	3,500	4,000	4,000	0
<i>Silver Scholarships</i>	0	0	9,800	9,800
Total budget authority	99,350	129,233	160,300	31,067
<i>Transfer from AmeriCorps grants</i>	-	14,395	-	

About the Program

The National Service Trust (the Trust) was established by the National and Community Service Trust Act of 1993 to provide funds for education awards for eligible participants who complete AmeriCorps service. Funding for the Trust comes from appropriations, interest earned, and proceeds from the sale or redemption of Trust investments. Funds are available to

Repay qualified student loans;

Pay educational expenses at a qualified institution of higher education;

Pay expenses incurred participating in an approved school-to-work program; or

Repay eligible interest expenses.

As the following table shows, the amount of an education award depends on the length of service performed by an AmeriCorps member.

Service Term and Corresponding Education Award

Service Term	# of Hours	Education Award
Full time	1,700	\$4,725.00
Half time	900	\$2,362.50
Reduced half time	675	\$1,800.00
Quarter time	450	\$1,250.00
Minimum time	300	\$1,000.00

The Trust also funds President's Freedom Scholarships for high school students. The \$1,000 scholarships are awarded to students who provide outstanding service. To fund each scholarship, a local community source must match \$500 provided by the Corporation.

What We've Accomplished

The past year has been a difficult one for the Trust. The Corporation violated the Anti-Deficiency Act in FY 2002 by approving more AmeriCorps members than available Trust funds could support. Realization of the shortfall in November 2002 led to a moratorium on Trust enrollments that affected roughly 20,000 awarded member slots. Because the cost of these slots had to be charged to the FY 2003 Trust appropriation, the Corporation was only able to award about 30,000 new member slots in the 2003 grant cycle—far below the planned level.

A \$64 million deficiency appropriation enacted as part of the April 2003 war supplemental will make the Trust whole. Now the Corporation needs to restore confidence in its ability to manage the Trust. Implementation of management reforms and the recent passage of the Strengthen AmeriCorps Program Act are two steps in the right direction.

Trust Management Reforms

For the 2003 grant cycle, the Corporation implemented new controls that were first outlined in a January 7, 2003 CEO memo. These controls will prevent the Corporation from approving more positions than the Trust can support or exceeding the 50,000-member ceiling set by our FY 2003 appropriation. They include

- Estimating total FTE and member slots available for the grant cycle and allocating them to programs;

- Requiring the CFO to certify the program and Trust costs of each proposed grant approval;

- Recording Trust obligations concurrent with the grant award process;

- Automating safeguards in the Web-Based Reporting System to prevent grantees from enrolling more members than they were allotted; and

- Continuously tracking Trust enrollments to allow for timely mid-course corrections if necessary.

Strengthen AmeriCorps Act

On July 3, 2003, the President signed into law the Strengthen AmeriCorps Program Act. The legislation establishes a clear set of budgeting guidelines for the National Service Trust. Specifically, the Act

- Directs the Corporation to record in the National Service Trust at the time of approval an amount for education awards that considers the value of the award as well as the enrollment rate (member slots actually filled), earnings rate (members who complete their

term of service and earn an award), usage rate (members who use their earned award to pay for tuition or student loans), and net present value (the time value of funds) in calculating the obligation amount;

Establishes a reserve fund that will protect the Corporation in the event that the estimates used to calculate the obligation are incorrect; and

Reinforces sound practices in obligating education awards in the Trust and protects AmeriCorps members by providing additional oversight including annual CEO certifications of compliance with these new requirements and annual audits of recorded estimates and Trust accounts.

Based on the Act, the Corporation has established a reserve and is using more conservative enrollment, earning, and usage rate assumptions to calculate Trust liability and budgetary needs.

Our Priorities for 2005

Enroll 75,000 AmeriCorps Members In the Trust (\$133 million)

Support 8,000 President's Freedom Scholarships (\$4 million)

We supported 5,791 scholarships in FY 2003 and hope to support 8,000 in FY 2004.

Fund 9,800 Silver Scholarships to senior tutors and mentors (\$9.8 million)

The Silver Scholarships program is described fully in a separate chapter.

How We Calculate Trust Budgetary Needs

The Corporation is using the following assumptions to calculate Trust budgetary needs for FY 2005:

75,000 members. This budget proposes a total of 75,000 new AmeriCorps members who will be eligible for an education award (an additional 1,782 VISTA members will elect a cash stipend in lieu of an education award, and therefore do not affect Trust funding needs).

100 percent enrollment rate. Our calculation of Trust funding needs assumes that all 75,000 member slots supported by the request will be enrolled in the Trust. Historically, enrollment rates have been about 90 percent.

80 percent earning rate. Our calculation assumes that 80 percent of members enrolled in the Trust will complete their service and earn an award. Our experience to date indicates that about 75 percent of members enrolled in the Trust earn an education award.

Full value of award. The calculation assumes that members earning an award will earn the full value based on their earning category (e.g., full time, part time, and reduced part time). Historically, we have found that about eight percent of members exit programs

early and receive a reduced award.

80 percent usage rate. We are currently assuming that 80 percent of the members earning an award will use it. Our experience to date indicates that about 76 percent of members earning an award will eventually use it.

Net present value. Three years can elapse between the time the Corporation receives an appropriation for the Trust, a grant is awarded, and a member is enrolled and completes his or her service. In addition, members have seven years from the completion of their service to use their award. This means that it can take 10 years from the fiscal year the funds are appropriated until a member uses the award. The Corporation takes this time frame into account by discounting the budget request to its net present value. The discount factors used in the calculation are based on historical usage patterns, OMB projected interest rates, and the weighted average maturity of the Corporation's Trust investment portfolio.

Reserve account. The request includes \$13.3 million for the Trust reserve account, bringing the total reserve to over \$33 million. The Strengthen AmeriCorps Program Act requires that a reserve be set aside in case the estimates used in preparing the request are not sufficient to meet the Trust's funding needs.

Program Evaluation

The National Service Trust Fund account and the procedures used to record Trust obligations are audited annually by the Corporation's Office of Inspector General.

BUDGET ACTIVITY 9: LEARN AND SERVE AMERICA

Summary of Budget Estimates for Learn and Serve America

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
		(dollars in thousands)		
<i>School-based service-learning programs - formula</i>	19,849	19,942	19,942	-
<i>School-based service-learning - competitive</i>	6,590	6,648	6,648	-
<i>School-based service-learning - set-aside for Indian tribes and U.S. territories</i>	817	822	822	-
<i>Community-based service-learning programs</i>	4,800	4,838	4,838	-
<i>Subtotal</i>	32,056	32,250	32,250	-
<i>Higher education</i>	10,665	10,750	13,750	3,000
Total budget authority	42,721	43,000	46,000	3,000
Program administration [non-add]:				
Personnel compensation	3,892	3,885	3,980	
Other expenses	1,647	1,891	2,757	
Staff FTE	47	46	46	
Participants	1,839,515	1,800,000	1,900,000	

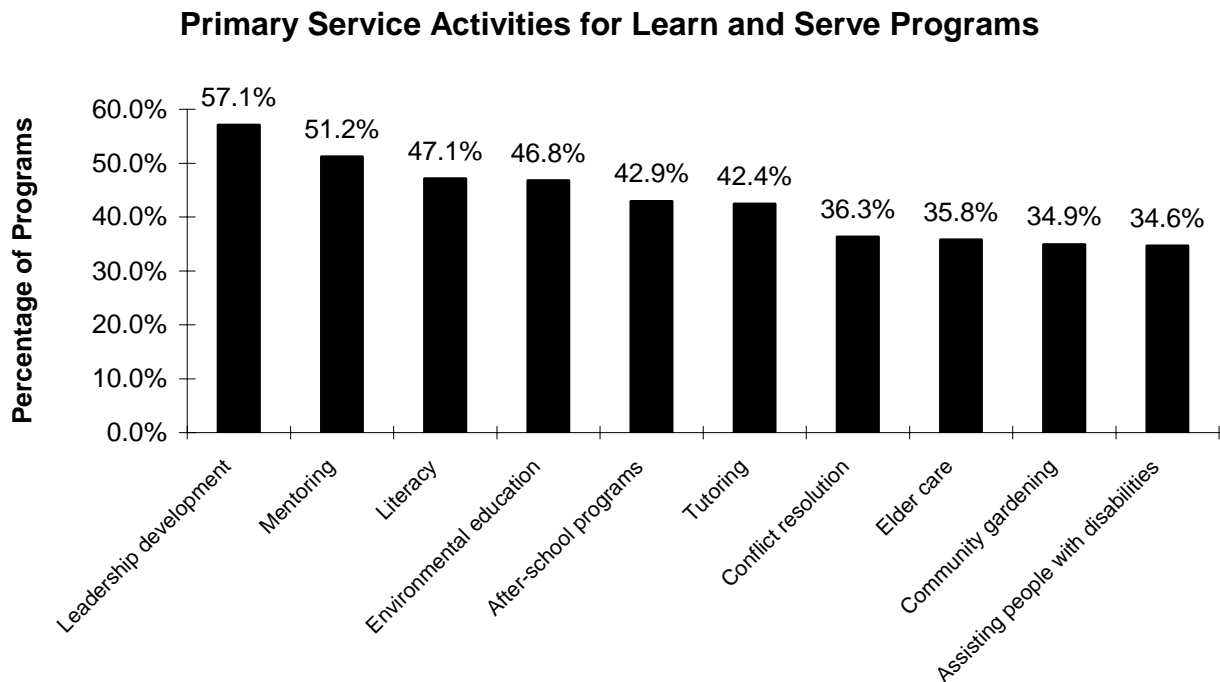
About the Program

Since its inception in 1990, Learn and Serve America programs have been furthering America's tradition of civic participation and volunteering by integrating service with curricula in schools, higher education institutions, and after-school programs, a practice known as service-learning. Learn and Serve programs also encourage and foster collaboration among schools, community-based organizations, institutions of higher education, and others to meet immediate community needs and strengthen the capacity of local communities to address long-term needs.

All Learn and Serve program grants are made for a period of three years, contingent upon program performance and availability of funds. Learn and Serve school- and community-based grants provide funds to intermediary organizations (state education agencies, state commissions on national and community service, Indian tribes and U.S. territories and nonprofit organizations) that generally provide competitive subgrants along with training and technical assistance to local partnerships (schools and community-based organizations) that conduct service-learning programs. Higher education grants (to individual institutions of higher education as well as to consortia of colleges and universities) develop and implement community service programs that strengthen a college's civic mission: promoting a culture of service for students and staff while intensifying its support of the surrounding community.

What We've Accomplished

Engaged over 1.8 million students (FY 2003) in service and service-learning programs through over 2000 local programs. Approximately one-third of the students were poor (qualified for the federal school lunch program) and about 14 percent had disabilities. Students in service-learning programs overwhelmingly served other young people through mentoring, literacy and other academic tutoring programs, and after-school program support.



Made the connection between service and civic education more explicit by ensuring that all FY 2003 grantees specified the ways in which they will encourage the development of civic knowledge, skills, responsibility, and engagement in program participants. Most programs have nominated at least one performance measure to track the development of civic skills and knowledge among participants or service beneficiaries.

Developed new data collection systems that will provide national, program-wide performance measures. The Corporation began to design and test new systems in FY 2003, with full implementation scheduled for FY 2004.

Initiated a policy by which all FY 2003 funded programs negotiated a set of program measures by which they and the Corporation will monitor progress and program efficacy. These Learn and Serve programs will measure their performance in at least one of four program impact areas: promotion of civic responsibility; improved academic performance, reduction in risky behaviors, and institutionalization of service-learning and civic participation.

Increased the number of Learn and Serve programs that reported working with faith-based organizations, from 17 percent in FY 2001 to 23 percent in FY 2002 and 26 percent in FY 2003. Our 2003 Guidance strengthens and supports increased engagement of faith-based and other community groups.

Redesigned, upgraded, and re-launched Learn and Serve's National Service-Learning Clearinghouse web site and re-established an on-site physical library, including a loan system. All Clearinghouse services and products are available free of charge or at cost to the public through a toll-free phone line, TDD/TDY services, a web site, and e-mail. The Clearinghouse is funded from the Innovation, Demonstration, and Assistance appropriation.

Disseminated the *Students in Service to America* guidebook and CD-ROM to 130,000 public and private elementary and secondary schools, home schools, and after-school programs around the country. President Bush introduced this guidebook to help educators enlist America's young people in service to their communities and develop the habits of civic participation, responsibility, and service that are essential to American democratic life.

Our Priorities for 2005

Engaging Children and Youth

The primary purpose of Learn and Serve America is to develop and fund programs that engage children and youth in service activities that benefit their schools, communities, and their own academic and civic development. Through increased emphasis on the development of civic knowledge and skills, documented through improved reporting systems, Learn and Serve programs will demonstrate significant benefit to young people. Learn and Serve programs will engage roughly 1.9 million participants in FY 2005.

An additional \$3 million is requested for Learn and Serve America Higher Education to enable us to provide high-quality training for educators in service-learning. These programs will increase both the quality and the quantity of educators able to engage young people in meaningful service to their communities. The grant program will be guided by research on effective in-service and pre-service educator training, including those practices that encourage teacher retention, particularly in schools that serve disadvantaged students. The outcomes will include greater institutionalization of service-learning programs in K-12 schools, better outcomes for youth in service-learning programs, and an increase in the number of service-learning programs and students performing service.

Strengthening Accountability for Results

Accountability for results resides at three levels in Learn and Serve programs: national, grantee, and local projects. Over the last year, Learn and Serve America has worked to strengthen accountability by implementing performance measurements at all three of these levels (as described above). In FY 2005, a national performance measurement system will have been implemented, and Learn and Serve America will have begun receiving program-specific

performance measures from grantees and subgrantees. Coupled with the stricter requirements for compliance with data collection imposed on programs in FY 2003, this policy will provide Learn and Serve America with the information needed to report on the progress of programs or sanction organizations whose program performance is below par.

Learn and Serve America also expects that a scientifically based study of the outcomes of its programs will be underway in FY 2005. This study, funded jointly by the Corporation and private sources, will provide updated, definitive information on the effectiveness of service-learning programs for participants' academic achievement, civic development, and reduction of risk behavior.

Supporting Faith-Based and Other Community Organizations

Work with small community organizations has been at the heart of the Learn and Serve program since its inception. By statute, Learn and Serve school-based programs must make subgrants to local partnerships that coordinate and operate projects for student participants; these local partnerships must include a Local Education Agency (LEA) as the fiscal agent as well as one or more public or private nonprofit organizations, higher education institutions, or for-profit groups. Meanwhile, state education agencies receiving formula funds must make service-learning available to private school (faith-based and secular) students and teachers in their states in direct proportion to the percentage of such students in the state. With even greater emphasis on these partnerships and support of private schools, Learn and Serve America expects that approximately 40 percent of all programs will have a faith-based partner in FY 2005.

Leveraging Volunteers and Dollars

Learn and Serve America leverages funds in support of its programs and larger service needs in local communities. Federal funds are matched at least one for one in higher education Learn and Serve programs. Any school- and community-based program that has received Learn and Serve funds for four or more years is also required to provide at least half of all program funds; this includes all the state education agency programs. By statute, programs provide 10 percent of all program costs in year one, 20 percent in year two, 30 percent in year three, and 50 percent in year four and all subsequent years.

Since 1999, Learn and Serve America has not reported the number of adult volunteers generated by our programs. Using the new data generated in surveys developed in 2004, we will report this information beginning in 2005. Program reports currently indicate well over 600,000 adult volunteers generated annually in support of school- and community-based programs.

Program Evaluation

Learn and Serve America hopes to lay the groundwork for a study of the outcomes of our programs and to document the impact of Learn and Serve America on student participants and communities in the future. Two studies are currently underway.

Learn and Service Performance Measurement System

The Corporation has recently requested proposals for a major collection of data regarding the organization, impacts, and effectiveness of Learn and Serve America. Since the findings will

include national data on outputs, intermediate outcomes, and end outcomes, this study will represent a major step forward for Learn and Serve performance measurement, and its findings will be of significant benefit as they inform ongoing program management decisions.

Field Network Study

The Corporation is in the planning stage of a field network study that would examine the ways in which the Corporation and nonprofit and civic institutions work together to build institutional and community capacity. The study will provide information on how participants in Learn and Serve programs have affected the capacity of educational institutions and community organizations to promote service-learning knowledge and engagement.

Formative Research on the Community, Higher Education, and School Partnerships (CHESP) Initiative

This research will describe the various partnership models and approaches taken by grantees and subgrantees in administering the programs and will identify facilitators and barriers to establishing service-learning partnerships based on the experiences of those who participated in the CHESP Initiative.

Institutionalization Study

This study is examining the institutionalization (process of making programs and activities part of a structured and well-established system) and sustainability (maintenance of programs and activities after Corporation funding support ceases) of the higher education, school-based, and community-based Learn and Serve programs.

Learn and Serve America Performance Indicators, 2000–2005¹

Performance Indicators	Type of Measure	Actual				Goals	
		FY00	FY01	FY02	FY03	FY04	FY05
1. Number of students in projects supported by Learn and Serve America. ² Source: Learn and Serve America LASSIE Survey. Corporation for National and Community Service.	Output	1,573,707	1,884,146	1,725,658	1,839,515	1,800,000 ³	1,900,000
2. Number of adult volunteer hours generated in a program year. Source TBD.	Output	NA	NA	NA	NA	SB 2004	TBD
3. Percent of participating higher education institutions that increase student service placement in their federal work-study budget. Source TBD.	Intermediate outcome	NA	NA	NA	NA	SB 2004	TBD
4. Measures for promotion of civic responsibility; improved academic performance, reduction in risky behaviors, and institutionalization of service-learning and civic participation. Source TBD.	NA	NA	NA	NA	EMS ⁴	EB 2004	TBD

¹ The table reflects the Corporation's new, results-oriented performance indicators, adopted in FY 2003. The Corporation has initiated an effort to collect annual data for each indicator. FY 2004 baseline data and target levels for FYs 2005 and 2006 will be included in the Corporation's FY 2006 budget submission.

² These numbers are calculated based on data given by subgrantees to the LASSIE survey, Learn and Serve America's annual data collection instrument. Learn and Serve America estimates that there are, on average, 2400 subgrantees. This estimation was used to determine the approximate number of nonrespondents to the survey question on the number of participants in Learn and Serve programs. The estimated number of nonrespondents was multiplied by the mean number of participants for actual respondents, excluding outliers (where $x = 0$ or $x \geq 50,000$), to calculate the estimated number of nonreported participants. The estimated number of nonreported participants was added to the actual number of reported participants to arrive at an estimated number of total participants in Learn and Serve programs.

³ In 2004 Learn and Serve America will have 100% reporting due to a mandate that all grantees and subgrantees report their progress.

⁴ EMS, establish measurement system.

BUDGET ACTIVITY 10: INNOVATION, DEMONSTRATION, AND ASSISTANCE

Summary of Budget Estimates for Innovation, Demonstration, and Assistance

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
(dollars in thousands)				
MLK grants	408	500	600	100
Fellows	99	---	---	---
Education awards (1)	5,961	---	---	---
Promise Fellows	4,919	---	---	---
Disability grants	5,163	4,555	4,883	328
Challenge grants	5,961	2,379	10,000	7,621
Next Generation grants	3,974	1,000	4,000	3,000
Training and technical assistance (2)	7,948	2,000	7,035	5,035
White House initiatives	1,060	---	2,113	2,113
USA Freedom Corps 800#	60	---	52	52
Task Force for Disadvantaged Youth	100	---	---	---
President's Freedom Scholarships	300	---	300	300
Faith- and community-based initiatives	250	---	750	750
President's Council on Service	350	---	1,011	1,011
Recruitment (2)	1,601	---	---	---
Public affairs (2)	744	---	---	---
Service Learning Clearinghouse & Exchange	725	725	1,000	275
Unified state plan	120	---	379	379
Homeland security	25	---	---	---
Other	128	---	---	---
<<Funding from carryover>>	(3,567)	---	---	---
Total budget authority	35,269	11,159	30,010	18,851

(1) Funding for the Education Award Only program was shifted to the AmeriCorps*State and National budget activity in the FY 2004 President's Budget.

(2) Salaries and expenses for training and technical assistance, recruitment, and public affairs have been shifted to the Program Administration budget activity as of FY 2004.

About the Program

Funding authorized by Subtitle H of the National and Community Service Act supports

Innovative and demonstration service programs that may not be eligible under other subtitles of the legislation;

Leadership development, training, and technical assistance activities to support grantees receiving assistance under the Act;

Disabled service participants who need special accommodations; and

Activities that help to build the ethic of service among Americans of all ages and backgrounds.

What We've Accomplished

Funding provided through the Innovation budget activity has enabled the Corporation to provide training and technical assistance to service learning programs through the following two services:

The National Service-Learning Clearinghouse, which collects and disseminates curriculum and materials. The Clearinghouse hosts eight LISTSERVs for e-mail discussions and succinct, usable information dissemination reaching all Learn and Serve America grantees and over 1,000 additional practitioner and researcher subscribers.

The "Exchange," a direct training and technical assistance provider, which provides online learning and training materials.

The Office of Leadership Development and Training has

Assisted in implementing high priority agency-wide program initiatives in cross-program collaboration, performance measurement and program improvement;

Provided training and technical assistance to grantee staff in areas of financial and program management; and

Enhanced web-based services to improve local programs' access to training and technical assistance services.

In response to the President's Mentoring Initiative, the Faith and Communities Engaged in Service (FACES) program developed a pilot initiative in 2003 for mentoring children of inmates through the collaborative efforts of AmeriCorps*VISTA, Senior Corps, and AmeriCorps*State and National. This initiative is being expanded in 2004 through a fifteen-city initiative with the Amachi program and other cohort projects addressing the needs of high-risk youth, inmates returning from incarceration, and children of inmates.

The Corporation awarded eight Challenge Grants totaling \$6 million in FY 2003. The grantees, chosen from a pool of 53 applicants, matched the Corporation's dollars at a ratio of more than 2 to 1. Grantees include Big Brothers/Big Sisters, City Year, Teach for America, and the New Mexico Community Foundation.

In late 2003, the Corporation launched a \$4 million grant competition to foster the next generation of national service organizations by providing seed money to help plan and implement new programs that have the potential to become national in scope. Grantees had received no prior funding from the Corporation and have organizational budgets of \$500,000 or less. The Corporation aggressively marketed this grant competition and received a record 1,100 applications for funding (the highest number of grants applications ever received for a Corporation grants competition).

To advance the Corporation's goal of increasing volunteerism in the United States, the President's Council on Service and Civic Participation (Council) held two meetings to discuss strategies and messages to promote service and volunteering among all Americans, particularly

young people, and to discuss tactics for increasing the numbers of people volunteering and the numbers of hours they volunteer. To bring attention to the value of and need for volunteering, the Corporation formed a cooperative agreement with the Points of Light Foundation to create and launch the President's Volunteer Service Award, a comprehensive awards program intended to recognize and reward all Americans who make a dedicated commitment to helping their communities. To support the efforts of the Council and the awards, the Corporation has launched a website and toll-free number, created and distributed marketing and press materials, arranged Council member participation in special events, and established collaborative relationships with various organizations to help promote the program.

Our Priorities for 2005

Strengthening Accountability for Results

Unified State Plan (\$379,000)

The National and Community Service Act of 1990 states that a commission shall be responsible for the preparation of a 3-year national service plan for the state (Unified State Plan) that is developed through an open and public process (such as through regional forums, hearings, and other means) and that provides for maximum participation and input from national service programs within the State and other interested members of the public. The plan is updated annually and ensures outreach to diverse community-based agencies that serve underrepresented populations by using established networks and registries at the State level. The plan will also establish these networks and registries and contain information that the State Commission considers appropriate or the Corporation requires.

In 2005 state service commissions will be required to submit a new three-year unified state plan. The requested funds will provide modest grants to help cover the costs of meetings with state agencies, nonprofit organizations, foundations, Corporation programs and other interested stakeholders across the state.

Engaging Children and Youth

President's Freedom Scholarships (\$300,000)

Funds are requested in 2005 to provide administrative and technical assistance to operate the Freedom Scholarship program. Freedom Scholarships recognize and reward up to two students from every high school in the nation who excel in their commitment to service with a \$500 scholarship from the National Service Trust Fund. This scholarship is matched with \$500 from a local sponsor for a total of \$1,000 to help the student fund a college education. The Corporation will support 8,000 Freedom Scholarships in FY 2005.

Supporting Faith-Based and Other Community Organizations

MLK Grants (\$600,000)

In 2005 the Corporation will support community organizations in their efforts to engage local citizens in service as a way to honor Dr. Martin Luther King, Jr.'s legacy. Over the past several

years, the Corporation has run a national MLK Day of Service grant competition and approved \$400,000–500,000 in small grants each year. In FY 2003, we provided \$410,000 to 79 grantees, totaling approximately \$410,000. Approximately two-thirds of the FY 2003 grants went to organizations that were not previously awarded an MLK Day grant.

Next Generation Grants (\$4,000,000)

Next Generation grants provide innovative strategies to engage volunteers in service. Since prospective grantees must have received no prior funding from the Corporation and have organizational budgets of \$500,000 or less, this program is an important part of our outreach to faith-based and other community organizations. The response nationwide was extremely enthusiastic: the Next Generation grants competition in FY 2003 received more applications (1,100) than any previous grants competition at the Corporation.

Training and Technical Assistance (\$7,035,000)

The Corporation's strategic training and technical assistance (TTA) plan provides a comprehensive approach to TTA for all its grantees, sub-grantees, projects and participants across Corporation programs. The Corporation's overall budget request, detailed in the table below, includes funding in each program to support TTA services in that program. In addition, the request includes separate funding in the Innovation subtitle "H" category to support the following key components in the strategy that cannot, by statute, be covered by individual program funds:

- Cross-program TTA as a cost-saving strategy for capacity building and collaboration among programs to achieve sustainability and promote service and volunteerism;
- TTA to support outreach and partnerships with non-grantee community organizations using service and volunteerism to meet community needs;
- TTA services to develop management capacity among state service commissions and state education agencies and to support Commissioner development;
- TTA support for Learn and Serve America, which is prohibited from using its program funds for TTA services other than the Clearinghouse and Exchange.

As an overall strategy for 2005, the Corporation will provide training and technical assistance (a) to strengthen grantee organizations, such as state commissions and national parent organizations, in the management, oversight and training of sub-grantee programs, and (b) to build the capacity of both grantees and sub-grantee programs in performance measurement, program development, financial management, and other areas identified as critical components or Corporation priorities, such as sustainability, volunteer recruitment and management, tutoring and mentoring, and service leadership.

A key priority for 2005 will be improved access to and expansion of on-line toolkits, materials, services and networks on our technical assistance website, the National Service Resource Center. The Resource Center is a primary source of information, effective practices and resources to organizations and individuals involved in volunteering and community service.

Total T&TA Funding by Activity

Activity Funded	FY 2003 Spending/ Actuals	FY 2004 Conference Report	FY 2005 President's Request
AmeriCorps State/National	5,900.0	7,500.0	7,500.0
Innovation (H)	5,964.0	2,000.0	7,035.0
Service Learning Clearinghouse & Exchange	725.0	725.0	1,000.0
VISTA	4,000.0	4,400.0	4,400.0
Senior Corps	5,065.6	4,571.0	4,818.0
Total Corporation T&TA funding	21,654.6	19,196.0	24,753.0

**Program funds may not be used for this purpose.*

Faith-Based Initiatives (\$750,000)

In FY 2002, the Faith and Communities Engaged in Service (FACES) initiative was organized as a task force within the Corporation comprised of representatives of all program departments. Ongoing collaboration will be fostered with other agencies and supporting entities such as the National Associations of Blacks in Criminal Justice and its National Black Church Task Forces, National Crime Prevention Council, Public Private Ventures, and the Pew Foundation.

Other FY 2005 initiatives include

Providing technical assistance to faith-based and other community organizations and state service commissions;

Conducting forums, outreach, conferences, and education;

Operating a consultant line for technical and specialized support to the Corporation's program offices;

Developing innovative pilot initiatives; and

Evaluating programs.

National Service-Learning Clearinghouse (\$1,000,000)

The National Service-Learning Clearinghouse is the nation's primary source of information, curriculum, research, and other resources on service-learning. The Clearinghouse is a partner with the Students in Service to America, a guidebook on youth service and service-learning, jointly produced by the Corporation, the U.S. Department of Education, USA Freedom Corps, and the Points of Light Foundation. The Clearinghouse maintains a 7,500-item library of items related to service learning in K–12 schools, faith-based and other community organizations, Indian tribes, and higher education. It is accessible to the public through a toll-free information line, e-mail, and a web site, providing important resource information to Learn and Serve America grantees.

The training and technical assistance provider, the “Exchange,” serves the 168 Learn and Serve America grantees, providing training assistance in the development and operation of effective and sustainable service-learning programs. Training is delivered in person, by telephone, and on the Internet. The Learn and Serve America grantees use the training gained to enhance and improve the 2300 local programs to which they provide subgrants. Funds requested in this budget will improve the ability of programs to expand civic knowledge and participation, grow their local programs, and ensure that academic objectives are met through service-learning.

Leveraging Volunteers and Dollars

Disability Grants (\$4,883,000)

State Commissions receive funds based upon disability placement plans that include outreach, recruitment, and placement activities for AmeriCorps programs and reasonable accommodations for disabled members. By statute, 1 percent of total funding appropriated for Trust, AmeriCorps Grants, Innovation and Evaluation budget activities must be set aside for disability grants.

USA Freedom Corps Toll-Free Number (\$52,000)

The USA Freedom Corps 800 number, a White House Initiative, will continue to allow us to support telephone access to program information and volunteer opportunities. Through this toll-free number, people can get information about locating a volunteer center in their community, volunteering in citizen corps and homeland security efforts, becoming a volunteer through the Senior Corps or AmeriCorps, or joining the Peace Corps.

Challenge Grants (\$10,000,000)

In our 2003 Challenge Grant competition, we turned down nearly 50 applicants that were willing to match Corporation funds 2 to 1 for projects to engage more citizens in service. To take better advantage of the leveraging power of this program, we propose to expand it in 2005, enabling even more nonprofit partners to participate, including small faith-based and other community organizations. The minimum Challenge Grant request will be \$100,000 and the maximum will be \$500,000. We estimate that up to 30,000 citizen volunteers will be supported.

President’s Council on Service and Civic Participation (\$1,011,000)

The President’s Council on Service and Civic Participation, a Corporation initiative, is a 24-member council appointed by the President to promote an ethic of service, volunteering, and citizenship and to recognize the efforts of the millions of Americans who make a substantial commitment to volunteer service. Individual council members speak publicly and hold special events and outreach activities to promote service, volunteering and recognition programs of the Council. The Council also provides \$250,000 to support development and distribution of the President’s Volunteer Service Award, a recognition honoring individuals who have volunteered 100 hours or more in a 12-month period (50 hours for children 14 years old and under).

Funds will also be used to develop fact sheets, brochures and displays to promote volunteering and the awards and hold a recognition event and public awareness media campaign during National Volunteer Week.

BUDGET ACTIVITY 11: EVALUATION

Summary of Budget Estimates for Evaluation

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
		(dollars in thousands)		
<i>Strengthening accountability for results</i>	2,000	2,982	3,700	718
<i>Securing the homeland</i>	-	-	-	-
<i>Engaging children and youth</i>	800	-	1,100	1,100
<i>Supporting faith-based and other community organizations</i>	30	-	750	750
<i>Leveraging volunteers and dollars</i>	151	-	450	450
Total budget authority	2,981	2,982	6,000	3,018

About the Program

The Department of Research and Policy Development (RPD) is responsible for developing and cultivating knowledge that will enhance the mission of the Corporation. RPD is leading the agency in establishing appropriate and effective performance measurement and accountability systems for the Corporation's programs while conducting high-quality, rigorous evaluations and research. RPD supports accountability for results by working with program offices to establish performance measures, developing corrective plans for grantees not meeting established goals, and reducing or terminating grants if corrections are not made. In addition, RPD is responsible for new program development, earmarked and other special grant initiatives, program guidance, and policy formulation.

RPD receives appropriations under both the Domestic and Volunteer Services Act (DVSA) and the National and Community Service Act (NCSA), the two pieces of legislation covering the activities of the Corporation for National and Community Service. The DVSA appropriation consists of administrative funds equal to 1.5 percent of the DVSA administrative dollars. The Corporation uses these funds to pay RPD personnel costs. Under NCSA, the Evaluation budget activity has received \$5,000,000 annually for FYs 1994–2002 and about \$3,000,000 in FYs 2003 and 2004. The NCSA statute directs that evaluation appropriations be used for “continuing evaluation of programs that receive assistance under the national service laws,” including AmeriCorps, Learn and Serve America, and Senior Corps.

What We've Accomplished

In 2002, the Corporation contracted with the Urban Institute to examine our current performance reporting associated with the Government Performance and Results Act (GPRA) and provide improvement recommendations. In 2003, we began implementing the recommendations to shift annual performance reporting from process-oriented accomplishments (count of services) to

results-oriented outcome reporting (impact of services) and to use performance data to make management and programmatic improvements. As a result,

Program guidance for AmeriCorps, Senior Corps, and Learn and Serve America now includes requirements for each grantee to submit information on performance, documenting the actual impact of the program on people receiving services and on communities;

AmeriCorps, Senior Corps, and Learn and Serve America have developed national outcome-oriented performance measures and indicators, which are included in this budget, to report on program performance;

The Corporation will begin reporting performance data on program outputs, intermediate-outcomes, and end-outcomes from grantees, members, volunteers and communities served by AmeriCorps, Senior Corps, and Learn and Serve America in 2004; and

The Corporation is developing a new strategic plan that outlines specific long-term performance measures directly linked to annual performance reporting in accordance with GPRA, identifies quantifiable performance indicators for each strategic objective, and shifts the Corporation's focus to results-oriented and long-term performance measurement.

In FY 2003, RPD launched a planning effort with the Rockefeller Institute for Government at SUNY Albany to conduct a field network planning study of Corporation programs. Building on this pilot project, RPD will establish a comprehensive field network of local, imbedded researchers to observe, monitor, and evaluate the quality and performance of Corporation programs in 2004. Through local researchers, the study will also provide valuable data on faith-based and other community organizations, as well as effective implementation of performance measurement and other policy initiatives.

Also in FY 2003, RPD began the first comprehensive study of the volunteer management capacity of America's charitable organizations, including religious congregations and faith-based charities. The study will provide national service, nonprofits, and faith-based organizations across the country with valuable insights on how to maximize the use and effectiveness of volunteers by improving volunteer recruitment and management. As part of its national performance measurement efforts, the Corporation will utilize the results of this study to evaluate, and then improve, its programs' volunteer management practices in 2004.

During FY 2004, based on the directives of Congress, RPD will focus its efforts on performance measurement in AmeriCorps. Funds dedicated for this purpose include national performance measurement in AmeriCorps, the longitudinal study of AmeriCorps member outcomes, and random-assignment impact evaluations of service programs in AmeriCorps. These studies are designed to assess the long-term impacts of participation in service on civic attitudes, civic engagement, education, and employment skills and life skills outcomes, and on the results of efforts to strengthen organizations and communities through national and community service programs. More important, however, these studies will provide local programs with pre-tested and verified indicators that can be used by local programs and the results compared against

national-level averages. Lastly, as directed by Congress, the Corporation will support a comprehensive study by the National Academy of Public Administration to assess and recommend concrete steps for improving the efficiency and effectiveness of the agency and its programs.

Our Priorities for 2005

In FY 2005, the Corporation will continue developing rigorous program evaluations and innovative research projects. All of these planned activities will address our FY 2005 priorities. Although several projects address more than one priority, projects have been organized based on their primary focus area.

The corporate program(s) addressed by each project are also identified under each project's title. The overall FY 2005 evaluation budget devotes the following amounts of resources to each of the corporate programs:

Programs and 2005 Budget Allocations

Program	Amount	Percentage
AmeriCorps	\$2,700,000	45%
Senior Corps	\$500,000	8%
Learn and Serve America	\$1,000,000	17%
Cross-program	\$1,800,000	30%
Total	\$6,000,000	100%

Strengthening Accountability for Results

Total FY 2005 Request for Priority Area = \$3.7 million

National Level Performance Measurement [AmeriCorps, Learn and Serve America] FY 2005 Request: \$1.2 million

In FY 2003, the Corporation initiated an effort to develop national outcome-oriented performance measures and indicators to report on program performance. In FY 2005, this study will assess the performance of AmeriCorps, Senior Corps, and Learn and Serve America by collecting annual performance data including outputs, intermediate outcomes, and end outcomes.

Longitudinal Study of AmeriCorps Member Outcomes [AmeriCorps] FY 2005 Request: \$1 million

This evaluation seeks to assess the long-term impacts of participation in AmeriCorps on members enrolled in AmeriCorps*State and National programs and AmeriCorps*NCCC campuses. The goal of the study is to assess the impact of participation in AmeriCorps on civic attitudes, civic engagement, education, and employment skills and life skills outcomes. The longitudinal study, of a nationally representative sample of 2,233 members from 109 AmeriCorps*State and National programs and from three (of five) AmeriCorps* NCCC regional campuses, uses matched comparison groups to identify program effects.

Evaluation

Impact of VISTA on Two Generations of Volunteers [AmeriCorps] FY 2005 Request: \$300,000

To commemorate the 40th anniversary of the AmeriCorps*VISTA program, this study will assess how participation in the program affected members' long-term civic, social, and political development and behavior. The study will use a sample of the more than 130,000 members who enrolled in AmeriCorps*VISTA from 1965 to compare them to a group of similarly motivated individuals.

Random-Assignment Evaluation of Service Corps [AmeriCorps] FY 2005 Request: \$600,000

The Corporation is currently working with national nonprofit organizations to design rigorous random-assignment evaluations of national and community service programs. The evaluation will assess the impacts of national service participation on members, organizations and communities.

Evaluation of Corporation National Partnerships [cross-program] FY 2005 Request: \$100,000

Historically, the Corporation has been involved in two substantial national partnerships, providing grants to America's Promise and the Points of Light Foundation. The Corporation will conduct an evaluation of both national partnerships to better understand the benefits of these investments and determine how to achieve maximum impact for the dollars spent.

National Science Foundation Partnership [cross-program] FY 2005 Request: \$200,000

Through its ongoing partnership with the National Science Foundation (NSF), the Corporation will continue to sponsor high-quality, independent research on service, volunteering, charitable organizations, and the independent sector. Success will lead to more jointly funded projects between the Corporation and other external organizations.

Evaluation Data Archive [cross-program] FY 2005 Request: \$150,000

Starting in FY 2004 and continuing into FY 2005, RPD will obtain the data and related codebooks created by contractors in past program evaluations. Obtaining the data from these evaluations will improve the Corporation's public accountability and aid scholarship on nonprofit management and volunteering.

Standardized Indicator Archive [cross-program] FY 2005 Request: \$150,000

To aid national and community service programs in developing performance measures for their programs, RPD will systematically gather valid and reliable outcome measures in a wide variety of programs and service fields. The resulting archive will house a variety of useful performance measurement tools, techniques, and guidance that grantees can use to gauge program impacts.

Engaging Children and Youth

Total FY 2005 Request for Priority Area = \$1.1 million

Random Assignment Evaluation of School-Based Service Learning Programs

[Learn and Serve America]

FY 2005 Request: \$600,000

In FY 2005, RPD will work with several national nonprofit philanthropic organizations to design rigorous random-assignment evaluations of school-based service programs, including service-learning. The goal will be to compare the effects of different interventions, including service-learning, community service, and text-based civics instruction.

Foster Grandparents Evaluation [Senior Corps]

FY 2005 Request: \$500,000

In FY 2004, RPD will initiate a multi-year, full-scale, rigorous evaluation of the Foster Grandparent program. This evaluation will be similar in design to the recently completed longitudinal, multiple-control-group evaluation of the Senior Companion program. The study will provide the most sophisticated assessment to date of the impact of Foster Grandparents' care on service recipients and host agencies and institutions.

Supporting Faith-Based and Other Community Organizations

Total FY 2005 Request for Priority Area = \$750,000

National Field Network Study [cross-program]

FY 2005 Request: \$750,000

Building on a pilot project beginning in FY 2003, RPD will establish a comprehensive field network of local, imbedded researchers to observe, monitor, and evaluate the quality and performance of Corporation programs. One of the priorities of this study is to determine how grantees that partner with faith-based and other community organizations are succeeding and what barriers exist that hinder the effectiveness of such partnerships.

Leveraging Volunteers and Dollars

Total FY 2005 Request for Priority Area = \$450,000

Volunteer Management Capacity Study [cross-program]

FY 2005 Request: \$450,000

In FY 2005, RPD will conduct the second round of a volunteer management and capacity study. The study will examine the volunteer management practices of service organizations, measure the impact of volunteers on those organizations, provide data on faith-based volunteering, and provide valuable information for improving program design.

Performance Indicators for Evaluation, 2001–2005

Performance Indicators	Type of Measure	Performance				
		Actual			Goals	
		FY01	FY02	FY03	FY04	FY05
1. Number of evaluations completed. Source: Data from evaluation services contract.	Output	-	-	8	5	6
2. Percentage of research and evaluation funding awarded using a competitive award process. Source: Data from evaluation services contract.	Output	Data not yet available	Data not yet available	90%	92%	94%
3. Proportion of Corporation programs evaluated within the preceding five years. Source: Data from evaluation services contract.	Output	Data not yet available	Data not yet available	50%	55%	60%
4. Proportion of grantees who collect performance data on end-outcomes in the appropriate year. Source: eGrants and internal program data.	Intermediate Outcome	NA	NA	NA	20%	50%
5. Number of scholarly articles citing RPD sponsored research within the preceding five years. Source: Internal RPD data.	End outcome	Data not yet available	Data not yet available	Establish baseline	TBD	TBD

BUDGET ACTIVITY 12: PARTNERSHIP GRANTS

Summary of Budget Estimates for Partnership Grants

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
(dollars in thousands)				
<i>America's Promise Partnership grant</i>	4,968	4,971	7,500	2,529
<i>Points of Light Foundation grant</i>	9,935	9,941	10,000	59
<i>Teach for America grant</i>	0	0	4,000	4,000
Total Budget Authority	14,903	14,912	21,500	6,588

About the Program

The Points of Light Foundation

Encourages every American and every American institution to help solve the nation's most critical social problems through volunteering;

Identifies successful and promising service initiatives with nonprofit organizations, corporations, families, and youth, and disseminates information about them;

Builds the capacity of institutions to support volunteer service;

Develops individuals as leaders to serve as strong examples of a commitment to serving others and to convince all Americans that a successful life includes serving others;

Raises public awareness around the societal benefits of community volunteering; and

Provides leadership through local delivery systems to mobilize volunteers.

America's Promise mobilizes people, communities, and organizations from every sector of American life to build the character and competence of youth by fulfilling Five Promises, which offer American youth

Caring adults in their lives, as parents, mentors, tutors, coaches;

Safe places with structured activities during non-school hours;

A healthy start and future;

Marketable skills through effective education; and

Opportunities to give back through community service.

Teach for America recruits outstanding recent college graduates to commit two years to teach in low-income rural and urban communities and become lifelong leaders to expand opportunities for children growing up there. Its mission is to build a movement to eliminate educational inequity in this country.

What We've Accomplished

Points of Light Foundation

The Points of Light Foundation supported the Volunteer Center National Network, an alliance of approximately 450 community-based Volunteer Centers. In 2003 and 2004, the Network will link nearly 2.4 million Americans with over 1 million volunteer opportunities; work in partnership with over 100,000 businesses, agencies, and organizations; and provide support to over 60,000 community-based nonprofits.

It also continued partnerships with 200 businesses and a national infrastructure of over 100 Business/Corporate Volunteer Councils to support volunteer service by employees and retirees from the business community. Connect America, an initiative to mobilize nearly 150,000 local affiliates to engage their members in volunteer service, is bringing together over 100 nonprofits, government agencies, faith-based institutions, civic groups, and businesses.

About 120 training seminars were conducted, providing almost 2,900 participants with resources and skills in volunteer management, service-learning, disaster preparedness and mitigation, and partnership building. A similar effort is planned for 2004.

The Foundation continued to develop a common, national volunteer matching database for use by the Volunteer Centers. This database will enable efficient recruitment, mobilization, and tracking of traditional and targeted volunteers, support Volunteer Center quality control, and allow for more accurate and timely reporting on volunteer activity.

America's Promise

America's Promise focused its resources on selected Demonstration Sites to help them become fully effective. In 2002, 13 Demonstration Sites were selected as candidates for reaching fully effective status as measured by a set of six criteria. Another group of Communities of Promise were categorized as Pipeline Communities with the expectation that many of them would move up to Demonstration Site status. Three of the Demonstration Sites had achieved fully effective status, ten are making steady progress, and one was relegated to Pipeline status. Thirteen Pipeline Communities were promoted to Demonstration status for the 2003–2004 program year. This process continues as America's Promise works toward the goal of 100 fully effective Communities of Promise by 2007.

A set of performance metrics were also implemented that cover key aspects of the organization's activities. Each includes a number of key activities, the goals they support, 6-month and 1-year targets, and the metrics and measurements used. Performance metrics include goals for 2003, 2004, and beyond.

America's Promise also worked to expand Promise Stations to 150 communities, deploying a national online version of the Five Promises Checklist, registering the full network of Communities of Promise and National Partners in the USA Freedom Corps

Volunteer network, and participating in service events including Martin Luther King Day, the President's Student Service Awards, and Freedom's Answer.

Our Priorities for 2005

Strengthening Accountability for Results

The Corporation's current grant to the **Points of Light Foundation** requires development of performance measures for the Business Volunteering and Volunteer Center activities of the Foundation. The Corporation will continue to work with the Foundation to expand the work on outcome indicators and outputs measures that has already taken place and move toward measurement of end outcomes.

America's Promise will continue to evaluate its work and that of its community partners using the metrics system and the community assessment tool. Its target is 100 effective Communities of Promise in five years, serving 5 million children and youth, with 5 percent of all children in the areas served receiving all five Promises due to effective local efforts. By December 31, 2004, the goal is 38 effective Communities of Promise, with 59 additional priority Pipeline Communities on the way to full effectiveness.

Engaging Children and Youth

The **Points of Light Foundation's** Youth Outreach Initiative will include Youth Engaged in Service (YES), a youth service and leadership program, development of approximately 200 new Kids Care Clubs in addition to the over 1,000 now operating, recognition programs for outstanding youth service, and partnerships with student and youth groups. **America's Promise** continues to work toward the five-year goal of serving five million children and ensuring that five percent of the children in areas served receive all five Promises.

Teach for America is currently expanding from 1,700 corps members teaching in 16 areas in 2002 to a planned 4,000 members teaching in 23 areas by 2005, more than doubling in size. While most areas served by Teach for America will receive additional teachers, there will be an emphasis on Baltimore, New York City, the Los Angeles and San Francisco Bay areas of California, and the Navajo Reservation in New Mexico and Arizona.

The Corporation is requesting \$4 million to support Teach for America in FY 2005 as it grows to serve more children in more schools. Grant funds will support recruitment, training and professional development, and on-site support of Teach for America participants. In addition, the grant supports salaries and expenses of Teach for America field staff, materials development, and member participation in training events.

Program Evaluation

In 2005, the Corporation is requesting \$100,000 for an evaluation of Corporation National Partnerships that will focus on the Points of Light Foundation and America's Promise grants.

BUDGET ACTIVITY 13: SILVER SCHOLARSHIP PROGRAM

Summary of Budget Estimates for Silver Scholarship Program

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
(dollars in thousands)				
<i>Competitive grants to new sponsors</i>	-	-	9,800	9,800
Children and Youth	-	-	9,800	9,800
<i>Outreach</i>	-	-	50	50
<i>Training and technical assistance</i>	-	-	150	150
Total Budget Authority	-	-	10,000	10,000

About the Program

Silver Scholarships are \$1,000 scholarships available to people over 55 who tutor and mentor students at least 500 hours a year. Seniors may deposit their scholarships in education savings accounts for use by their children, grandchildren, or another child in need. The FY 2005 budget includes a total of \$20 million to engage nearly 10,000 older Americans in new service programs. The funding for the \$1,000 scholarships is included under the National Service Trust budget activity.

Silver Scholarship grants will fund management and administrative support for tutoring and mentoring programs, plus insurance, transportation, and other volunteer costs. Grantees will recruit the senior volunteers, manage the activities to make sure they are effective, provide training, and track performance and outcomes.

Organizations currently receiving funds under the National and Community Service Act and/or the Domestic Volunteer Service Act, including those under Senior Corps, will be eligible to compete for these funds so long as they meet the requirements of the Silver Scholarship Program.

Our Priorities for 2005

Supporting Children and Youth

The Corporation will engage 9,800 volunteers in tutoring and mentoring programs, with a special focus on helping children learn to read by the third grade. Tutoring activities will build on research-based methods that work to ensure that children read at or above grade level by the end of third grade. Grantees may make subgrants to local nonprofits, including faith-based and other community organizations. The Corporation will provide training and technical assistance to local projects.

OIG FY 2005 APPROPRIATION LANGUAGE

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General in carrying out the Inspector General Act of 1978, as amended, [\$6,250,000] \$6,000,000, to remain available until September 30, [2005] 2006.

OFFICE OF INSPECTOR GENERAL

Summary of Budget Estimates for the Office of Inspector General

	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Request	Increase/ (Decrease)
(dollars in thousands)				
Audits	2,689	7,470	2,726	(4,744)
Investigations	937	755	1,127	372
Evaluations ¹	152	1,473	2,147	674
Obligations	3,778	9,698	6,000	(3,698)
Carryover from prior year	1,302	3,485	-	(3,485)
Carryover to next year	3,485	-	-	-
Total budget authority	5,961	6,213	6,000	(213)

¹ The Evaluation unit was created in FY 2003.

About the Program

The Office of Inspector General's mission (Inspector General Act of 1978, as amended (5 U.S.C. app. § 3)) is to

Conduct independent and objective audits and investigations;

Promote organizational economy, efficiency, and effectiveness;

Prevent and detect fraud, waste, and abuse;

Review and make recommendations regarding existing and proposed legislation and regulations relating to the Corporation's programs and operations; and

Keep the Chief Executive Officer, the Corporation's Board of Directors, and the Congress fully and currently informed of problems in agency programs and operations.

What We've Accomplished

Audits

During FY 2003, the OIG conducted the annual audit of the Corporation's financial statements, as required by the Government Corporation Control Act (31 U.S.C. §§ 9101-10). The annual audit of the Corporation's financial statements will also be conducted in

FY 2004. In accordance with the Federal Information Security Management Act (44 U.S.C. §§ 3541-49), the OIG will perform the annual independent evaluation of the information security program and practices of the Corporation.

The Office of Inspector General has initiated a series of pre-audit surveys that are intended to provide basic information on the state commissions' operations and funding. As of September 30, 2003, OIG had issued pre-audit survey reports on 37 state commissions. During FY 2004, OIG expects to complete six more pre-audits and initiate surveys for seven more states. The Office of Inspector General also conducts full-scope, cost-incurred audits of state commissions. As of September 30, 2003, 17 full-scope audits had been completed. These audits have resulted in recommendations for reimbursement of questioned costs. In addition, they have resulted in recommendations to establish and implement policies and procedures to prevent future instances of non-compliance with laws and regulations and to improve internal controls. During FY 2004, OIG expects to complete three more state commission audits and commence work at three additional state commissions.

The Office of Inspector General will also complete audits of internal controls, policies, and procedures and other Corporation grants and cooperative agreements during the fiscal year.

Audit Performance Statistics

	Fiscal Year		
	2001	2002	2003 ¹
Number of audit reports ²	28	28	19
Number of testimonies	3	0	1
Number of reports requested by Congress	8	6	4
Questioned costs (dollars in thousands) ³	\$2,984	\$23,369	\$3,585
Value of recommendations that funds be put to better use (dollars in thousands)	\$56	\$1,607	\$119
Cost per audit hour			
OIG staff	\$65	\$52	\$53
Contracted services	\$99	\$96	\$85
Timeliness ⁴	187 days	215 days	202 days

¹ As of September 30, 2003.

² During FY 2001, OIG issued 13 state commission pre-audit survey reports and two of the more time-consuming full-scope audits of state commissions. Nine state commission audits were completed during FY 2002, with six similar audits completed in FY 2003.

³ During FY 2002, total costs questioned were \$23,369,000, of which \$23,287,000 were identified during state commission audits.

⁴ The increase in the number of days since FY 2001 is attributable to the time-consuming full-scope audits of state commissions, and the detailed review process utilized during the quality control stage of the state commission audits.

Investigations

During FY 2003, the Office of Inspector General opened 42 new investigations and resolved 30. These investigative actions resulted in the recovery of \$123,988 of Corporation funds and nine referrals for prosecution. Investigations of note include

reviews of the Corporation's Alternative Personnel System and the Corporation's management of the National Service Trust. Special investigative initiatives have included fraud awareness presentations and unannounced meetings with AmeriCorps members.

Investigations Performance Statistics

	Fiscal Year				
	1999	2000	2001	2002	2003
Investigative actions opened	46	51	95 ¹	40	42
Investigative actions resolved and closed	29	47	95	56	30
Average monthly caseload	25	30	35	24	26
Investigative matters resolved without opening a separate investigative action	48	37	29	37	42
Referrals for prosecution	12	14	16	10	9
Investigative recoveries	\$142,634	\$308,939	\$55,961	\$1,206,057	\$123,988
Cost avoidance ²	--	--	--	--	\$158,038
Administrative or management action taken	10	4	8	25	20

¹ Forty-five of the ninety-five investigative actions opened during FY 2001 were opened as a direct result of a proactive OIG review of Corporation employees' use of the government travel charge card.

² Cost avoidance was not calculated until FY 2003.

Evaluations

In FY 2003, the Evaluations unit was formed to review various functions of the Corporation and to make recommendations for improvement. During FY 2003, the unit was staffed with three evaluators. During FY 2004, the unit will begin to review programs and operations to enhance the Corporation's performance in achieving its mission. The unit will also review Corporation policies and performance measures to improve management and accountability.

Our Priorities for 2005

Over the next five years, OIG will increase its focus on areas intended to enhance the management and overall performance of the Corporation, provide information designed to assist the Corporation's progress toward achieving strategic goals, and expand its efforts to assist the Corporation by identifying existing vulnerabilities as well as those that may emerge from changes in the Corporation's operations or from changes in the environment in which the Corporation operates.

OIG has established the following goals for its operations:

Identify opportunities for increased economy and efficiency in agency operations, and assist management by identifying, recommending, and developing appropriate management reforms;

Protect the integrity of the Corporation's programs, operations, and financial management by identifying and mitigating existing risks or emerging vulnerabilities that may result from changes in the Corporation's operations, from changing legal and administrative requirements, or from changes in the environment in which the Corporation operates;

Carry out the intent of the Government Performance and Results Act (GPRA) by (a) Providing the Corporation with objective assessments of the integrity of the systems that it uses to compile performance information and the reliability of this performance information and (b) Focusing OIG audits and other services more on management performance and programmatic outcomes; and

Improve the quality and delivery of OIG's work product.

As required by Office of Management and Budget Circular A-11, the following table links strategic goals to performance goals, and the table shows our expected accomplishments.

Strategic Goals and Performance Indicators

Strategic Goal	Performance Indicators		
	Audits	Investigations	Evaluations
Improve Corporation management	Audit reports and recommendations on Corporation operations and management	Investigative actions Administrative or management actions taken	Reviews of Corporation and grantees' administrative and management policies
Protect the integrity of programs, operations, and financial management	All audit reports and recommendations	Investigative actions Investigative actions opened and closed Referrals for prosecution	Reviews of Corporation and grantees' administrative and management policies
Carry out the intent of GPRA by assessing the integrity of systems used for performance measurement, by increasing the focus of OIG audits toward management performance and programmatic outcomes, and by increasing investigative reporting on management issues.	Audit reports directly related to GPRA issues plus audit reports on the Corporation's systems, operations and management Number of recommendations on Corporation management issues	Administrative or management actions taken	Reviews of Corporation and grantees' administrative and management policies
Continuous improvement in the quality and delivery of OIG reports and work products	Timeliness Cost of audit hours Congressional interest Testimonies Reports requested	Investigative actions opened and closed	Reviews of Corporation and OIG work product

Major FY 2005 audit and evaluations initiatives include the audit of the Corporation's financial statements, a review of the Corporation's performance measures and statistics, a post-implementation analysis of system integration controls for the Corporation's cost accounting system, and a continuation of the audits of state commissions. The Office of Inspector General will also focus on the Corporation's efforts to protect the financial integrity of the National Service Trust. The following table shows the performance measure statistics for audits and evaluations.

Quantitative Audit and Evaluation Performance Measures¹

	Fiscal Year				
	2002 Actual	2003 Goal	2003 Actual	2004 Estimated	2005 Estimated
Number of reports issued	28	30	19	30	30
Number of reports issued linked to improving Corporation management (OIG Strategic Goal 1)	6	6	5	--	--
Number of recommendations linked to goal 1	33	--	56	--	--
Number of reports issued linked to protecting the integrity of programs, operations, and financial management (OIG Strategic Goal 2)	28	17	19	--	--
Number of recommendations linked to goal 2					
to Corporation	50	--	62	--	--
to Grantees	131	--	78	--	--
to Contractors	--	--	--	--	--
Number of reports issued linked to carrying out the intent of GPRA (OIG Strategic Goal 3)	2	2	2	--	--
Number of recommendations linked to goal 3	8	--	12	--	--
Total number of audit recommendations ²	181	--	140	--	--
Percent of recommendations accepted by Corporation	93%	90%	93%	--	--

¹ This table includes Evaluation reports for 2003 through 2005 as part of the new Evaluation unit's performance measures. The number of reports to be issued from the Evaluation unit for each year is 10 of the 30 estimated. Currently the unit is still in the development stage; therefore, the FY 2003 actual quantitative performance measures are for the Audit unit only.

² The number of recommendations that will be included in future reports cannot be predicted.

Program Evaluation

The Office of Inspector General hired an outside contractor to perform the Federal Information Security Management Act (FISMA) evaluation. The contractor found the network to be "well managed" and provided action items for the OIG Information Technology Specialist (ITS) and Information Systems Security Officer (ISSO) to

consider for implementation. Twelve items have been or are in the process of being addressed.

Based on OIG's experience with the FISMA evaluation, the ITS will provide the audit staff with technical assistance during their audit of the Corporation network.

Audits

Government Auditing Standards require that each audit organization performing audits and attestation engagements undergo an external peer review of their practices at least once every three years. This peer review is conducted by an independent audit organization. The latest peer review concluded that OIG had complied with generally accepted government auditing standards in performing its own work and in monitoring the work of independent public accountants. The next external peer review is scheduled to be completed during FY 2004.

In an effort to improve the service and operations of the OIG audit section, an audit customer service survey has been developed and implemented. The results of these surveys will be used to ensure that the communication process is working effectively, that information requests are reasonable, and that the audit report provides accurate and factual information.

In our continuing efforts to improve the quality and delivery of OIG work product, guidance has been provided to contractors to standardize writing styles, thereby ensuring that all documents reflect the highest professional standards.

Investigations

The unit conducted a self-examination of investigations using the Qualitative Assessment Review Guide provided by the President's Commission on Integrity and Efficiency (PCIE) to ensure that investigations were in compliance with the Quality Standards for Investigations, as adopted by the PCIE.

As part of reviewing the use of government travel and purchase cards by Corporation employees, the Investigations unit also reviewed the OIG employees' use of the card to ensure that the government-issued credit cards were not being misused.

The unit also reviews all investigative cases once per month as a means of quality control.

TOTAL OIG OBLIGATIONS BY OBJECT CLASSIFICATION

	FY 2003 Actual	FY 2004 Estimate	FY 2005 Estimate	Increase (Decrease) 04 vs 05'
	(dollars in thousands)			
Total number of permanent positions	21	26	30	4
Full-time equivalent employment (FTE)	17	26	30	4
Personnel compensation:				0
11.1 Permanent positions (FTP)	1,451	2,253	2,720	467
11.3 Positions other than FTP	10	0	0	0
11.5 Other personnel compensation	0	48	120	72
11.8 Special personal services payments	36	0	0	0
11.9 Total, personnel compensation	1,497	2,301	2,840	539
12.1 Personnel benefits	348	586	708	122
13.0 Benefits for former personnel	2	0	0	0
21.0 Travel and transportation of persons	72	233	223	(10)
22.0 Transportation of things	0	0	0	0
23.1 Rental payments to GSA	255	260	300	40
23.2 Rental payments to others	0	0	1	1
23.3 Communications, utilities, and miscellaneous charges	14	18	28	10
24.0 Printing and reproduction	0	0	0	0
25.0 Other services	253	6,200	1,770	(4,430)
26.0 Supplies and materials	32	71	85	14
31.0 Equipment	3	29	45	16
41.0 Grants, subsidies and contributions	0	0	0	0
42.0 Claims	0	0	0	0
Total obligations	2,476	9,698	6,000	(3,698)